



GENERAL ASSEMBLY

COMMONWEALTH OF KENTUCKY

2009 REGULAR SESSION

SENATE BILL NO. 181

CORRECTED

WEDNESDAY, MARCH 4, 2009

The following bill was reported to the House from the Senate and ordered to be printed.

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TREY GRAYSON
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY A. Kinsolving

AN ACT relating to reorganization.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

1 ➔ SECTION 1. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO
2 READ AS FOLLOWS:

3 **(1) The Office of Policy and Audit established within the Office of the Secretary by**
4 **Section 19 of this Act shall have the duties and responsibilities established in**
5 **Section 25 of this Act and KRS 42.0651.**

6 **(2) The Office of Policy and Audit shall be headed by an executive director who shall**
7 **be appointed in accordance with KRS 12.050 and shall report to the secretary.**

8 ➔ Section 2. KRS 11.501 is repealed, reenacted as a new section of KRS Chapter
9 42, and amended to read as follows:

10 The General Assembly finds and declares that:

11 (1) The establishment of the position of the executive director of the Commonwealth
12 Office of Technology, appointed by the secretary of the Finance and Administration
13 Cabinet with the approval of the Governor, as the Commonwealth's single point of
14 contact and spokesperson for all matters related to information technology and
15 resources, including policies, standard setting, deployment, strategic and tactical
16 planning, acquisition, management, and operations is necessary and in keeping with
17 the industry trends of the private and public sectors;

18 (2) The appropriate use of information technology by the Commonwealth can improve
19 operational productivity, reduce the cost of government, enhance service to
20 customers, and make government more accessible to the public;

21 (3) Government-wide planning, investment, protection, and direction for information
22 resources must be enacted to:

23 (a) Ensure the effective application of information technology on state business
24 operations;

25 (b) Ensure the quality, security, and integrity of state business operations; and

- 1 (c) Provide privacy to the citizens of the Commonwealth;
- 2 (4) The Commonwealth must provide information technology infrastructure, technical
3 directions, and a proficient organizational management structure to facilitate the
4 productive application of information technology and resources to accomplish
5 programmatic missions and business goals;
- 6 (5) Oversight of large scale and government statewide systems or projects is necessary
7 to protect the Commonwealth's investment and to ensure appropriate integration
8 with existing or planned systems;
- 9 (6) A career development plan and professional development program for information
10 technology staff of the executive branch is needed to provide key competencies and
11 adequate on-going support for the information resources of the Commonwealth and
12 to ensure that the information technology staff will be managed as a
13 Commonwealth resource;
- 14 (7) The Commonwealth is in need of information technology advisory capacities to the
15 Governor and the agencies of the executive cabinet;
- 16 (8) Appropriate public-private partnerships to supplement existing resources must be
17 developed as a strategy for the Commonwealth to comprehensively meet its
18 spectrum of information technology and resource needs;
- 19 (9) Technological and theoretical advances in information use are recent in origin,
20 immense in scope and complexity, and change at a rapid rate, which presents
21 Kentucky with the opportunity to provide higher quality, more timely, and more
22 cost-effective government services to ensure standardization, interoperability, and
23 interconnectivity;
- 24 (10) The sharing of information resources and technologies among executive branch
25 state agencies is the most cost-effective method of providing the highest quality and
26 most timely government services that would otherwise be cost-prohibitive;
- 27 (11) The ability to identify, develop, and implement changes in a rapidly moving field

1 demands the development of mechanisms to provide for the research and
 2 development of technologies that address systems, uses, and applications; and

3 (12) The exercise by the executive director of the Commonwealth Office of Technology
 4 of powers and authority conferred by Sections 2 to 13 of this Act~~[KRS 11.501 to~~
 5 ~~11.517]~~, 45.253, 171.420, 186A.040, 186A.285, and 194A.146 shall be deemed and
 6 held to be the performance of essential governmental functions.

7 ➔Section 3. KRS 11.503 is repealed, reenacted as a new section of KRS Chapter
 8 42, and amended to read as follows:

9 As used in Sections 2 to 13 of this Act~~[KRS 11.501 to 11.517]~~, unless the context
 10 requires otherwise:

11 (1) "Communications" or "telecommunications" means any transmission, emission, or
 12 reception of signs, signals, writings, images, and sounds of intelligence of any
 13 nature by wire, radio, optical, or other electromagnetic systems, and includes all
 14 facilities and equipment performing these functions;

15 (2) "Geographic information system" or "GIS" means a computerized database
 16 management system for the capture, storage, retrieval, analysis, and display of
 17 spatial or locationally defined data;

18 (3) "Information resources" means the procedures, equipment, and software that are
 19 designed, built, operated, and maintained to collect, record, process, store, retrieve,
 20 display, and transmit information, and associated personnel;

21 (4) "Information technology" means data processing and telecommunications hardware,
 22 software, services, supplies, facilities, maintenance, and training that are used to
 23 support information processing and telecommunications systems to include
 24 geographic information systems; and

25 (5) "Project" means a program to provide information technologies support to functions
 26 within an executive branch state agency, which should be characterized by well-
 27 defined parameters, specific objectives, common benefits, planned activities,

1 expected outcomes and completion dates, and an established budget with a specified
 2 source of funding.

3 ➔Section 4. KRS 11.505 is repealed, reenacted as a new section of KRS Chapter
 4 42, and amended to read as follows:

5 (1) There is hereby created within the Finance and Administration Cabinet an agency of
 6 state government known as the Commonwealth Office of Technology.

7 (2) The Commonwealth Office of Technology shall be headed by an executive director
 8 appointed by the secretary of the Finance and Administration Cabinet. Duties and
 9 functions of the executive director shall include those established in Section 7 of
 10 this Act[KRS 11.511].

11 (3) The Commonwealth Office of Technology shall consist of the following four (4)
 12 offices, each headed by an executive director and organized into divisions headed
 13 by a division director:

14 (a) ~~{Office of the 911 Coordinator, which shall be headed by an executive director~~
 15 ~~who shall be appointed by the Governor, subject to confirmation by the~~
 16 ~~Senate, from a list of no more than three (3) candidates recommended by the~~
 17 ~~Commercial Mobile Radio Service Emergency Telecommunications Board.~~
 18 ~~The executive director shall serve at the pleasure of the Governor. Vacancies~~
 19 ~~shall be filled in the same manner as the original appointment. The Office of~~
 20 ~~the 911 Coordinator shall have the duties and responsibilities established in~~
 21 ~~KRS 11.512;~~

22 (b) ~~{Office of Enterprise[Information] Technology[Policy and Planning], which~~
 23 ~~shall consist of the following divisions:~~

- 24 1. Division of IT Governance[Enterprise Architecture]; and
- 25 2. ~~{Division of Relationship and Service Management;~~
- 26 3. ~~{Division of Geographic Information}; and~~
- 27 4. ~~{Division of Information Technology Contract and Asset Management};~~

1 (b)~~(e)~~ Office of Infrastructure Services, consisting of the:

- 2 1. Division of Technical Services~~[Infrastructure Support]~~;
- 3 2. Division of Communications~~[Security Services]~~;
- 4 3. Division of IT Operations~~[Computing Services]~~; ~~[and]~~
- 5 4. Division of Field~~[Communication]~~ Services; and
- 6 5. Division of Printing Services, which shall be responsible for the
- 7 printing and duplicating needs of state agencies as designated by the
- 8 Finance and Administration Cabinet;

9 (c)~~(d)~~ Office of Application Development~~[Consulting and Project~~
10 Management], consisting of the:

- 11 1. Division of Software Engineering~~[Centers of Expertise]~~;
- 12 2. ~~[Division of Human Services Systems;~~
- 13 3. ~~—]~~Division of Consulting and Project Management~~[Financial Systems]~~;
- 14 and
- 15 3.~~4.~~ Division of Support Services~~[Transportation Systems]~~; and

16 (d) Office of Chief Information Security Officer. The office shall ensure the
17 efficiency and effectiveness of information technology security functions
18 and responsibilities~~[5. Division of General Government Systems].~~

19 (4) Executive directors and division directors appointed under this section shall be
20 appointed by the secretary with the approval of the Governor.

21 ➔Section 5. KRS 11.507 is repealed, reenacted as a new section of KRS Chapter
22 42, and amended to read as follows:

23 (1) The roles and duties of the Commonwealth Office of Technology shall include but
24 not be limited to:

25 (a) Providing technical support and services to all executive agencies of state
26 government in the application of information technology;

27 (b) Assuring compatibility and connectivity of Kentucky's information systems;

- 1 (c) Developing strategies and policies to support and promote the effective
2 applications of information technology within state government as a means of
3 saving money, increasing employee productivity, and improving state services
4 to the public, including electronic public access to information of the
5 Commonwealth;
- 6 (d) Developing, implementing, and managing strategic information technology
7 directions, standards, and enterprise architecture, including implementing
8 necessary management processes to assure full compliance with those
9 directions, standards, and architecture. This specifically includes but is not
10 limited to directions, standards, and architecture related to the privacy and
11 confidentiality of data collected and stored by state agencies;
- 12 (e) Promoting effective and efficient design and operation of all major
13 information resources management processes for executive branch agencies,
14 including improvements to work processes;
- 15 (f) Developing, implementing, and maintaining the technology infrastructure of
16 the Commonwealth;
- 17 (g) Facilitating and fostering applied research in emerging technologies that offer
18 the Commonwealth innovative business solutions;
- 19 (h) Reviewing and overseeing large or complex information technology projects
20 and systems for compliance with statewide strategies, policies, and standards,
21 including alignment with the Commonwealth's business goals, investment,
22 and other risk management policies. The executive director is authorized to
23 grant or withhold approval to initiate these projects;
- 24 (i) Integrating information technology resources to provide effective and
25 supportable information technology applications in the Commonwealth;
- 26 (j) Establishing a central statewide geographic information clearinghouse to
27 maintain map inventories, information on current and planned geographic

1 information systems applications, information on grants available for the
 2 acquisition or enhancement of geographic information resources, and a
 3 directory of geographic information resources available within the state or
 4 from the federal government;

5 (k) Coordinating multiagency information technology projects, including
 6 overseeing the development and maintenance of statewide base maps and
 7 geographic information systems;

8 (l) Providing access to both consulting and technical assistance, and education
 9 and training, on the application and use of information technologies to state
 10 and local agencies;

11 (m) In cooperation with other agencies, evaluating, participating in pilot studies,
 12 and making recommendations on information technology hardware and
 13 software;

14 (n) Providing staff support and technical assistance to the Kentucky Geospatial
 15 Board~~[Geographic Information Advisory Council]~~ and the Kentucky
 16 Information Technology Advisory Council;~~and~~

17 (o) Overseeing the development of a statewide geographic information plan
 18 with input from the Kentucky Geospatial Board; and

19 (p) Preparing proposed legislation and funding proposals for the General
 20 Assembly that will further solidify coordination and expedite implementation
 21 of information technology systems.

22 (2) The Commonwealth Office of Technology may:

23 (a) Provide general consulting services, technical training, and support for generic
 24 software applications, upon request from a local government, if the executive
 25 director finds that the requested services can be rendered within the
 26 established terms of the federally approved cost allocation plan;

27 (b) Promulgate administrative regulations in accordance with KRS Chapter 13A

1 necessary for the implementation of Sections 2 to 13 of this Act~~[KRS 11.501~~
 2 ~~to 11.517]~~, 45.253, 171.420, 186A.040, 186A.285, and 194A.146;

3 (c) Solicit, receive, and consider proposals from any state agency, federal agency,
 4 local government, university, nonprofit organization, private person, or
 5 corporation;

6 (d) Solicit and accept money by grant, gift, donation, bequest, legislative
 7 appropriation, or other conveyance to be held, used, and applied in accordance
 8 with Sections 2 to 13 of this Act~~[KRS 11.501 to 11.517]~~, 45.253, 171.420,
 9 186A.040, 186A.285, and 194A.146;

10 (e) Make and enter into memoranda of agreement and contracts necessary or
 11 incidental to the performance of duties and execution of its powers, including,
 12 but not limited to, agreements or contracts with the United States, other state
 13 agencies, and any governmental subdivision of the Commonwealth;

14 (f) Accept grants from the United States government and its agencies and
 15 instrumentalities, and from any source, other than any person, firm, or
 16 corporation, or any director, officer, or agent thereof that manufactures or sells
 17 information resources technology equipment, goods, or services. To these
 18 ends, the Commonwealth Office of Technology shall have the power to
 19 comply with those conditions and execute those agreements that are
 20 necessary, convenient, or desirable; and

21 (g) Purchase interest in contractual services, rentals of all types, supplies,
 22 materials, equipment, and other services to be used in the research and
 23 development of beneficial applications of information resources technologies.
 24 Competitive bids may not be required for:

- 25 1. New and emerging technologies as approved by the executive director or
- 26 her or his designee; or
- 27 2. Related professional, technical, or scientific services, but contracts shall

1 be submitted in accordance with KRS 45A.690 to 45A.725.

2 (3) Nothing in this section shall be construed to alter or diminish the provisions of KRS
3 171.410 to 171.740 or the authority conveyed by these statutes to the Archives and
4 Records Commission and the Department for Libraries and Archives.

5 ➔Section 6. KRS 11.509 is repealed, reenacted as a new section of KRS Chapter
6 42, and amended to read as follows:

7 (1) To accomplish the work of the Commonwealth Office of Technology, all
8 organizational units and administrative bodies, as defined in KRS 12.010, and all
9 members of the state postsecondary education system, as defined in KRS 164.001,
10 shall furnish the Commonwealth Office of Technology necessary assistance,
11 resources, information, records, and advice as required.

12 (2) The provisions of Sections 2 to 13 of this Act~~[KRS 11.501 to 11.517]~~, 45.253,
13 171.420, 186A.040, 186A.285, and 194A.146 shall not be construed to grant any
14 authority over the judicial or legislative branches of state government, or agencies
15 thereof, to the Commonwealth Office of Technology.

16 (3) The information, technology, personnel, agency resources, and confidential records
17 of the Kentucky Retirement Systems and the Kentucky Teachers' Retirement
18 System shall be excluded from the provisions of Sections 2 to 13 of this Act~~[KRS~~
19 ~~11.501 to 11.517]~~, 45.253, 171.420, 186A.040, 186A.285, and 194A.146 and shall
20 not be under the authority of the Commonwealth Office of Technology.

21 ➔Section 7. KRS 11.511 is repealed, reenacted as a new section of KRS Chapter
22 42 to read as follows:

23 (1) The executive director of the Commonwealth Office of Technology shall be the
24 principal adviser to the Governor and the executive cabinet on information
25 technology policy, including policy on the acquisition and management of
26 information technology and resources.

27 (2) The executive director shall carry out functions necessary for the efficient, effective,

1 and economical administration of information technology and resources within the
 2 executive branch. Roles and duties of the executive director shall include but not be
 3 limited to:

- 4 (a) Assessing, recommending, and implementing information technology
 5 governance and organization design to include effective information
 6 technology personnel management practices;
- 7 (b) Integrating information technology and resources plans with agency business
 8 plans;
- 9 (c) Overseeing shared Commonwealth information technology resources and
 10 services;
- 11 (d) Performing as the focal point and representative for the Commonwealth in
 12 information technology and related areas with both the public and private
 13 sector;
- 14 (e) Establishing appropriate partnerships and alliances to support the effective
 15 implementation of information technology projects in the Commonwealth;
- 16 (f) Identifying information technology applications that should be statewide in
 17 scope, and ensuring that these applications are not developed independently or
 18 duplicated by individual state agencies of the executive branch;
- 19 (g) Establishing performance measurement and benchmarking policies and
 20 procedures;
- 21 (h) Preparing annual reports and plans concerning the status and result of the
 22 state's specific information technology plans and submitting these annual
 23 reports and plans to the Governor and the General Assembly; and
- 24 (i) Managing the Commonwealth Office of Technology and its budget.

25 ➔Section 8. KRS 11.513 is repealed, reenacted as a new section of KRS Chapter
 26 42 to read as follows:

- 27 (1) There is hereby created the Kentucky Information Technology Advisory Council to:

- 1 (a) Advise the executive director of the Commonwealth Office of Technology on
- 2 approaches to coordinating information technology solutions among libraries,
- 3 public schools, local governments, universities, and other public entities; and
- 4 (b) Provide a forum for the discussion of emerging technologies that enhance
- 5 electronic accessibility to various publicly funded sources of information and
- 6 services.
- 7 (2) The Kentucky Information Technology Advisory Council shall consist of:
 - 8 (a) The state budget director or a designee;
 - 9 (b) The state librarian or a designee;
 - 10 (c) One (1) representative from the public universities to be appointed by the
 - 11 Governor from a list of three (3) persons submitted by the Council on
 - 12 Postsecondary Education;
 - 13 (d) Three (3) citizen members from the private sector with information
 - 14 technology knowledge and experience appointed by the Governor;
 - 15 (e) Two (2) representatives of local government appointed by the Governor;
 - 16 (f) One (1) representative from the area development districts appointed by the
 - 17 Governor from a list of names submitted by the executive directors of the area
 - 18 development districts;
 - 19 (g) One (1) member of the media appointed by the Governor;
 - 20 (h) The executive director of the Kentucky Authority for Educational Television;
 - 21 (i) The chair of the Public Service Commission or a designee;
 - 22 (j) Two (2) members of the Kentucky General Assembly, one (1) from each
 - 23 chamber, selected by the Legislative Research Commission;
 - 24 (k) One (1) representative of the Administrative Office of the Courts;
 - 25 (l) One (1) representative from the public schools system appointed by the
 - 26 Governor;
 - 27 (m) One (1) representative of the Kentucky Chamber of Commerce; and

- 1 (n) The executive director of the Commonwealth Office of Technology.
- 2 (3) Appointed members of the council shall serve for a term of two (2) years. Members
3 who serve by virtue of an office shall serve on the council while they hold the
4 office.
- 5 (4) Vacancies on the council shall be filled in the same manner as the original
6 appointments. If a nominating organization changes its name, its successor
7 organization having the same responsibilities and purposes shall be the nominating
8 organization.
- 9 (5) Members shall receive no compensation but shall receive reimbursement for actual
10 and necessary expenses in accordance with travel and subsistence requirements
11 established by the Finance and Administration Cabinet.

12 ➔Section 9. KRS 11.515 is repealed, reenacted as a new section of KRS Chapter
13 42, and amended to read as follows:

- 14 (1) There is hereby established a *Kentucky Geospatial Board, attached to the*
15 *Commonwealth Office of Technology for administrative purposes,*~~[Geographic~~
16 ~~Information Advisory Council]~~ to advise the executive director of the
17 Commonwealth Office of Technology on issues relating to geographic information
18 and geographic information systems.
- 19 (2) The *board*~~[council]~~ shall *recommend*~~[establish and adopt]~~ policies and procedures
20 that assist state and local jurisdictions in developing, deploying, and leveraging
21 geographic information resources and geographic information systems technology
22 for the purpose of improving public administration.
- 23 (3) The *board*~~[council]~~ shall closely coordinate with users of geographic information
24 systems to *recommend*~~[establish]~~ policies and procedures that insure the maximum
25 use of geographic information by minimizing the redundancy of geographic
26 information and geographic information resources.
- 27 (4) The *Kentucky Geospatial Board*~~[Geographic Information Advisory Council]~~ shall

1 consist of twenty-four (24) members and one (1) legislative liaison. The members
 2 shall be knowledgeable in the use and application of geographic information
 3 systems technology and shall have sufficient authority within their organizations to
 4 influence the implementation of council recommendations.

5 (a) The **board**~~[council]~~ shall consist of:

- 6 1. The secretary of the Transportation Cabinet or his designee;
- 7 2. The secretary of the Cabinet for Health and Family Services or his or her
8 designee;
- 9 3. The director of the Kentucky Geological Survey or his designee;
- 10 4. The secretary of the Finance and Administration Cabinet or his
11 designee;
- 12 5. The executive director of the Commonwealth Office of Technology or
13 her or his designee, **who shall serve as chair**;
- 14 6. The secretary of the Economic Development Cabinet or his designee;
- 15 7. The commissioner of the Governor's Office for Local Development or
16 his designee;
- 17 8. The secretary of the Justice and Public Safety Cabinet or his designee;
- 18 9. One (1) member appointed by the Governor from a list of three (3)
19 persons submitted by the president of the Council on Postsecondary
20 Education;
- 21 10. The adjutant general of the Department of Military Affairs or his
22 designee;
- 23 11. The commissioner of the Department of Education or his designee;
- 24 12. The secretary of the Environmental and Public Protection Cabinet or his
25 designee;
- 26 13. The Commissioner of the Department of Agriculture or his designee;
- 27 14. The secretary of the Commerce Cabinet or his designee;

- 1 15. Two (2) members appointed by the Governor from a list of six (6)
- 2 persons submitted by the president of the Kentucky League of Cities;
- 3 16. Two (2) members appointed by the Governor from a list of six (6)
- 4 persons submitted by the president of the Kentucky Association of
- 5 Counties;
- 6 17. One (1) member appointed by the Governor from a list of three (3)
- 7 persons submitted by the president of the Kentucky Chapter of the
- 8 American Planning Association;
- 9 18. One (1) member appointed by the Governor from a list of three (3)
- 10 persons submitted by the president of the Kentucky Chamber of
- 11 Commerce;
- 12 19. One (1) member appointed by the Governor from a list of three (3)
- 13 persons submitted by the president of the Kentucky Association of Land
- 14 Surveyors;
- 15 20. One (1) member appointed by the Governor from a list of three (3)
- 16 persons submitted by the president of the Kentucky Society of
- 17 Professional Engineers;
- 18 21. One (1) member appointed by the Governor from a list of three (3)
- 19 persons submitted by the chairman of the Kentucky Board of Registered
- 20 Geologists; and
- 21 22. One (1) member appointed by the Governor from a list of three (3)
- 22 persons submitted by the president of the Council of Area Development
- 23 Districts.
- 24 (b) The council shall have one (1) nonvoting legislative liaison, to be appointed
- 25 by the Legislative Research Commission.
- 26 (5) ~~{The chair shall be appointed by the Governor.}~~The board~~{council}~~ may have
- 27 committees and subcommittees as determined by the board~~{council}~~ or an executive

1 committee, if an executive committee exists.

2 (6) A member of the **board**~~[council]~~ shall not:

3 (a) Be an officer, employee, or paid consultant of a business entity that has, or of
4 a trade association for business entities that have, a substantial interest in the
5 geographic information industry and is doing business in the Commonwealth;

6 (b) Own, control, or have, directly or indirectly, more than ten percent (10%)
7 interest in a business entity that has a substantial interest in the geographic
8 information industry;

9 (c) Be in any manner connected with any contract or bid for furnishing any
10 governmental body of the Commonwealth with geographic information
11 systems, the computers on which they are automated, or a service related to
12 geographic information systems;

13 (d) Be a person required to register as a lobbyist because of activities for
14 compensation on behalf of a business entity that has, or on behalf of a trade
15 association of business entities that have, substantial interest in the geographic
16 information industry;

17 (e) Accept or receive money or another thing of value from an individual, firm, or
18 corporation to whom a contract may be awarded, directly or indirectly, by
19 rebate, gift, or otherwise; or

20 (f) Be liable to civil action or any action performed in good faith in the
21 performance of duties as a **board**~~[council]~~ member.

22 (7) Those **board**~~[council]~~ members specified in subsection (4)(a) of this section who
23 serve by virtue of an office shall serve on the **board**~~[council]~~ while they hold that
24 office.

25 (8) Appointed members of the **board**~~[council]~~ shall serve for a term of four (4) years.
26 Vacancies in the membership of the **board**~~[council]~~ shall be filled in the same
27 manner as the original appointments. If a nominating organization changes its name,

its successor organization having the same responsibilities and purposes shall be the nominating organization.

(9) The board~~[council]~~ shall have no funds of its own, and board~~[council]~~ members shall not receive compensation of any kind from the board~~[council]~~.

(10) A majority of the members shall constitute a quorum for the transaction of business. Members' designees shall have voting privileges at board~~[council]~~ meetings.

➔Section 10. KRS 11.5161 is repealed and reenacted as a new section of KRS Chapter 42 to read as follows:

The Kentucky Wireless Interoperability Executive Committee is hereby created to address communications interoperability, a homeland security issue which is critical to the ability of public safety first responders to communicate with each other by radio. The committee shall advise and make recommendations to the executive director of the Commonwealth Office of Technology regarding strategic wireless initiatives to achieve public safety voice and data communications interoperability.

➔Section 11. KRS 11.5162 is repealed, reenacted as a new section of KRS Chapter 42, and amended to read as follows:

As used in Sections 10 to 12 of this Act~~[KRS 11.5161 to 11.5163]~~, unless the context requires otherwise:

(1) "Architecture" means the design principles, physical structure, and functional organization of a land mobile radio system;

(2) "Frequency" means for a periodic function, the number of cycles or events per unit time that comprises the frequency spectrum used by or assigned to a wireless public safety voice or data communications system;

(3) "Interoperability" means:

(a) The ability of public safety agencies to be able to communicate with one another; to exchange voice or data with one another in real time;

(b) The ability of systems, units, or forces to provide services to and accept

1 services from other systems, units, or forces and to use the services so
 2 exchanged to enable them to operate effectively together; and

3 (c) The condition achieved among communications-electronics systems or items
 4 of communications-electronic equipment when information or services can be
 5 exchanged directly and satisfactorily between them and their users;

6 (4) "Primary wireless public safety voice or data communications systems" means a
 7 regular interacting group of base, mobile, and associated control and fixed relay
 8 stations intended to provide land mobile radio voice or data communications service
 9 over a single area of operation for public safety agencies. This definition shall not
 10 include "911" telephone systems;

11 (5) "Public safety shared infrastructure" means any component that by the nature of its
 12 function or physical characteristics can be used by multiple agencies to implement
 13 or support primary wireless public safety voice or data communications systems.
 14 This shall include but not be limited to towers, equipment shelters, radios, and other
 15 electronic equipment, backbone communications networks, and communications-
 16 related software;

17 (6) "Public safety working group" means a working group whose mission is to design
 18 and develop a seamless coordinated plan for the use of the public safety frequency
 19 spectrum as regulated by the Federal Communications Commission;

20 (7) "Spectrum" means a usable radio frequency in the electromagnetic distribution; and

21 (8) "Standards" means:

22 (a) Engineering and technical requirements that are necessary to be employed in
 23 the design of systems, units, or forces and to use the services so exchanged to
 24 enable them to operate effectively together, including but not limited to
 25 operating frequencies, over-the-air protocols, and bandwidth; and

26 (b) Established protocol that provides a common interface.

27 ➔Section 12. KRS 11.5163 is repealed, reenacted as a new section of KRS

1 Chapter 42, and amended to read as follows:

- 2 (1) The executive director shall establish and implement a statewide public safety
3 interoperability plan. This plan shall include the development of required
4 architecture and standards that will insure that new or upgraded Commonwealth
5 public safety communications systems will interoperate. The Kentucky Wireless
6 Interoperability Executive Committee shall be responsible for the evaluation and
7 recommendation of all wireless communications architecture, standards, and
8 strategies. The executive director shall provide direction, stewardship, leadership,
9 and general oversight of information technology and information resources. The
10 executive director shall report by September 15 annually to the Interim Joint
11 Committee on Seniors, Veterans, Military Affairs, and Public Protection and the
12 Interim Joint Committee on State Government on progress and activity by agencies
13 of the Commonwealth to comply with standards to achieve public safety
14 communications interoperability.
- 15 (2) The Kentucky Wireless Interoperability Executive Committee shall serve as the
16 advisory body for all wireless communications strategies presented by agencies of
17 the Commonwealth and local governments. All state agencies in the
18 Commonwealth shall present all project plans for primary wireless public safety
19 voice or data communications systems for review and recommendation by the
20 committee, and the committee shall forward the plans to the executive director for
21 final approval. Local government entities shall present project plans for primary
22 wireless public safety voice or data communications systems for review and
23 recommendation by the Kentucky Wireless Interoperability Executive Committee.
- 24 (3) The committee shall develop funding and support plans that provide for the
25 maintenance of and technological upgrades to the public safety shared
26 infrastructure, and shall make recommendations to the executive director, the
27 Governor's Office for Policy and Management, and the General Assembly.

- 1 (4) The executive director shall examine the project plans for primary wireless public
 2 safety voice or data communications systems of state agencies as required by
 3 subsection (2) of this section, and shall determine whether they meet the required
 4 architecture and standards for primary wireless public safety voice or data
 5 communications systems.
- 6 (5) The Kentucky Wireless Interoperability Executive Committee shall consist of
 7 twenty (20)~~twenty-one (21)~~ members as follows:
- 8 (a) A person knowledgeable in the field of wireless communications appointed by
 9 the executive director who shall serve as chair;
- 10 (b) The executive director of the Office of Infrastructure Services,
 11 Commonwealth Office of Technology;
- 12 (c) ~~{The executive director of the Office of the 911 Coordinator;~~
- 13 (d) ~~—~~The executive director of Kentucky Educational Television, or the executive
 14 director's designee;
- 15 (d)~~(e)~~ The chief information officer of the Transportation Cabinet;
- 16 (e)~~(f)~~ The chief information officer of the Justice and Public Safety Cabinet;
- 17 (f)~~(g)~~ The chief information officer of the Department of Kentucky State
 18 Police;
- 19 (g)~~(h)~~ The commissioner of the Department of Fish and Wildlife Resources, or
 20 the commissioner's designee;
- 21 (h)~~(i)~~ The chief information officer of the Environmental and Public
 22 Protection Cabinet;
- 23 (i)~~(j)~~ The director of the Division of Emergency Management, Department of
 24 Military Affairs;
- 25 (j)~~(k)~~ The executive director of the Kentucky Office of Homeland Security;
- 26 (k)~~(l)~~ The chief information officer, Department for Public Health, Cabinet for
 27 Health and Family Services;

1 ~~(l)~~~~(m)~~ A representative from an institution of postsecondary education
 2 appointed by the Governor from a list of three (3) names submitted by the
 3 president of the Council on Postsecondary Education;

4 ~~(m)~~~~(n)~~ The executive director of the Center for Rural Development, or the
 5 executive director's designee;

6 ~~(n)~~~~(o)~~ A representative from a municipal government to be appointed by the
 7 Governor from a list of three (3) names submitted by the Kentucky League of
 8 Cities;

9 ~~(o)~~~~(p)~~ A representative from a county government to be appointed by the
 10 Governor from a list of three (3) names submitted by the Kentucky
 11 Association of Counties;

12 ~~(p)~~~~(q)~~ A representative from a municipal police department to be appointed by
 13 the Governor from a list of three (3) names submitted by the Kentucky
 14 Association of Chiefs of Police;

15 ~~(q)~~~~(r)~~ A representative from a local fire department to be appointed by the
 16 Governor from a list of three (3) names submitted by the Kentucky
 17 Association of Fire Chiefs;

18 ~~(r)~~~~(s)~~ A representative from a county sheriff's department to be appointed by
 19 the Governor from a list of three (3) names submitted by the Kentucky
 20 Sheriffs' Association;

21 ~~(s)~~~~(t)~~ A representative from a local Emergency Medical Services agency to be
 22 appointed by the Governor from a list of three (3) names submitted by the
 23 Kentucky Board of Emergency Medical Services; and

24 ~~(t)~~~~(u)~~ A representative from a local 911 dispatch center to be appointed by the
 25 Governor from a list of three (3) names submitted by the Kentucky Chapter of
 26 the National Emergency Number Association/Association of Public Safety
 27 Communications Officials.

- 1 (6) Appointed members of the committee shall serve for a two (2) year term. Members
2 who serve by virtue of an office shall serve on the committee while they hold that
3 office.
- 4 (7) The committee shall meet quarterly, or as often as necessary for the conduct of its
5 business. A majority of the members shall constitute a quorum for the transaction of
6 business. Members' designees shall have voting privileges at committee meetings.
- 7 (8) The committee shall be attached to the Commonwealth Office of Technology for
8 administrative purposes only. Members shall not be paid and shall not be
9 reimbursed for travel expenses.
- 10 (9) The Public Safety Working Group is hereby created for the primary purpose of
11 fostering cooperation, planning, and development of the public safety frequency
12 spectrum as regulated by the Federal Communications Commission, including the
13 700 MHz public safety band. The group shall endeavor to bring about a seamless,
14 coordinated, and integrated public safety communications network for the safe,
15 effective, and efficient protection of life and property. The Public Safety Working
16 Group membership and other working group memberships deemed necessary shall
17 be appointed by the chair of the Kentucky Wireless Interoperability Executive
18 Committee.
- 19 (10) The committee may establish additional working groups as determined by the
20 committee.

21 ➔Section 13. KRS 11.517 is repealed, reenacted as a new section of KRS Chapter
22 42, and amended to read as follows:

- 23 (1) The **Kentucky Geospatial Board's**~~[Geographic Information Advisory Council's]~~
24 duties shall include the following:
- 25 (a) **Recommending**~~[Overseeing]~~ the development and adoption of policies and
26 procedures related to geographic information and geographic information
27 systems;

- 1 (b) **Providing input and recommendations for**~~[Overseeing]~~ the development of a
- 2 strategy for the **maintenance**~~[implementation]~~ and funding of a statewide base
- 3 map and geographic information system;
- 4 (c) ~~[Overseeing the development and]~~Recommending standards on geographic
- 5 information and geographic information systems for inclusion in the statewide
- 6 architecture;
- 7 (d) **Contributing to**~~[Overseeing]~~ the development and delivery of a statewide
- 8 geographic information plan~~[and annually reporting to the Governor, the~~
- 9 ~~General Assembly, the Judicial Branch, and the executive director of the~~
- 10 ~~Commonwealth Office of Technology]~~;
- 11 (e) ~~[Overseeing the development of the geographic information systems training~~
- 12 ~~and education plan]~~;
- 13 (f) ~~Overseeing the assessment of state agency plans for geographic information~~
- 14 ~~systems standards compliance;~~
- 15 (g) ~~]Overseeing the development of operating policies and procedures for the~~
- 16 management of the **board**~~[council]~~ and any standing or ad hoc committees and
- 17 associated advisory groups; **and**
- 18 **(d)(h)** Promoting collaboration and the sharing of data and data development,
- 19 as well as other aspects of geographic information systems~~]; and~~
- 20 (i) ~~Overseeing the implementation of a pilot project to study the advantages and~~
- 21 ~~resources of geographic information system technology]~~.
- 22 (2) The Division of Geographic Information shall provide necessary staff support
- 23 services to the **board**~~[council]~~. All cabinets, departments, divisions, agencies, and
- 24 officers of the Commonwealth shall furnish the **board**~~[council]~~ necessary
- 25 assistance, resources, information, records, or advice as it may require to fulfill its
- 26 duties.

27 ➔Section 14. KRS 11.518 is repealed and reenacted as a new section of KRS

1 Chapter 42 to read as follows:

2 (1) All entities in Kentucky that create or purchase digital ortho-rectified aerial
3 imagery, remotely sensed imagery, LiDAR, digital elevation models, or any other
4 form of nonlicensed raster-based datasets of locations in Kentucky using public
5 funds, in whole or in part, shall provide a copy of the information to the
6 Commonwealth Office of Technology, Division of Geographic Information, without
7 cost, in order to allow the Commonwealth Office of Technology to effectively
8 discharge its statutory responsibility to maintain an accurate and complete central
9 statewide geographic information clearinghouse for official state use. The imagery
10 provided to the Commonwealth Office of Technology shall be added to Kentucky's
11 secure Geospatial Data Warehouse for official government use only.

12 (2) Subsection (1) of this section shall not apply to roads, land parcels, structure
13 locations, or other vector-based datasets acquired with public funding.

14 (3) The Commonwealth Office of Technology shall not disclose to the general public or
15 make available for distribution, download, or purchase any data that an entity
16 providing data under subsection (1) of this section has requested remain
17 confidential.

18 ➔Section 15. KRS 11.520 is repealed and reenacted as a new section of KRS
19 Chapter 42 to read as follows:

20 (1) To the extent funds are made available, the Commonwealth Office of Technology
21 shall establish a statewide planning and mapping system for public buildings in this
22 state for use by response agencies who are called to respond to an act of terrorism or
23 an emergency.

24 (2) The statewide planning and mapping system for public buildings shall include:

25 (a) Floor plans, fire protection information, building evacuation plans, utility
26 information, known hazards, and information on how to contact emergency
27 personnel;

- 1 (b) The manner by which the information required by paragraph (a) of this
- 2 subsection shall be transferred to the system from state agencies and the local
- 3 political subdivisions who participate in the system;
- 4 (c) Standards for the software that shall be used by state agencies and local
- 5 political subdivisions that participate in the system;
- 6 (d) Conditions for use of the system by response agencies;
- 7 (e) Guidelines for:
 - 8 1. The accessibility and confidentiality of information contained within the
 - 9 system; and
 - 10 2. The incorporation, in connection with the use of the system, of the items
 - 11 described in subsection (3)(b) of this section;
- 12 (f) In accordance with information obtained by the Kentucky Office of Homeland
- 13 Security, a priority for the distribution of any money that may be available for
- 14 state agencies and political subdivisions to participate in the system; and
- 15 (g) Guidelines recommended by the Division of Emergency Management for the
- 16 training of persons employed by the response agencies concerning the use of
- 17 the system.
- 18 (3) To the extent money is available, state agencies and political subdivisions shall:
 - 19 (a) Participate in the statewide planning and mapping system; and
 - 20 (b) Incorporate into their use of the system, without limitation:
 - 21 1. Evacuation routes and strategies for evacuation;
 - 22 2. Alarms and other signals or means of notification;
 - 23 3. Plans for remaining inside a building, room, structure, or other location
 - 24 during an emergency when egress may be impossible or when egress
 - 25 may present a more substantial risk than remaining inside; and
 - 26 4. Training and strategies for prevention in connection with attacks
 - 27 involving violence.

1 If a state agency or political subdivision uses its own planning and mapping system
 2 before the Commonwealth Office of Technology establishes a statewide planning
 3 and mapping system, the state agency or political subdivision may continue to use
 4 its system unless money is made available for the state agency or political
 5 subdivision to update or modify its system as necessary for inclusion in the
 6 statewide system.

7 (4) The Commonwealth Office of Technology:

8 (a) Shall pursue any money that may be available from the federal government for
 9 the development and operation of a statewide planning and mapping system
 10 for public buildings, and for the distribution of grants to state agencies and
 11 political subdivisions that participate in the system; and

12 (b) May accept gifts, grants, and contributions for the development and operation
 13 of a statewide planning and mapping system, and for the distribution of grants
 14 to the state agencies and political subdivisions that participate in the system.

15 (5) Each state agency and political subdivision that participates in the system shall, on
 16 or before July 1, 2007, and on or before July 1 of each year thereafter, submit to the
 17 Commonwealth Office of Technology a progress report setting forth, in accordance
 18 with regulations promulgated by the Commonwealth Office of Technology, the
 19 experience of the agency or political subdivision with respect to its participation in
 20 the system. The Commonwealth Office of Technology shall receive and process the
 21 progress reports, and provide a summarized overview of the system to the
 22 Legislative Research Commission on or before October 1, 2007, and on or before
 23 October 1 of each year thereafter.

24 ➔Section 16. KRS 42.066 is repealed and reenacted as a new section of KRS
 25 Chapter 42 to read as follows:

26 (1) The Division of Occupations and Professions shall provide administrative services,
 27 technical assistance, and advice to the following boards and commissions at the

request of the individual boards or commissions, all of which maintain their identity and their full authority for making policy decisions in the fields that they regulate: the State Board of Accountancy, the Kentucky Board of Architects, the Kentucky Board of Barbering, the Kentucky Board of Hairdressers and Cosmetologists, the State Board of Podiatry, the Kentucky State Board of Chiropractic Examiners, the Kentucky Board of Dentistry, the State Board of Embalmers and Funeral Directors, the State Board of Registration for Professional Engineers and Land Surveyors, the Kentucky Board of Nursing, the Kentucky Board of Ophthalmic Dispensers, the Kentucky Board of Optometric Examiners, the Kentucky Board of Pharmacy, the State Board of Physical Therapy, the State Board of Examiners of Psychologists, the Kentucky Real Estate Commission, the Kentucky Board of Veterinary Examiners, the Board of Auctioneers, the State Board for Proprietary Education, the State Board of Examiners and Registration of Landscape Architects, the State Board of Medical Licensure, the Board of Speech-Language Pathology and Audiology, the Kentucky Board of Licensure for Nursing Home Administrators, the Kentucky Licensing Board for Specialists in Hearing Instruments, the Kentucky Board of Social Work, and such other boards and commissions as are created to license, certify, register, or otherwise regulate any occupational or professional category.

(2) To the extent that the division provides administrative services, the respective boards and commissions are relieved of the power and duty to provide the services for themselves. The division shall charge each board or commission a reasonable amount for administrative services provided pursuant to subsection (1) of this section. The division may employ persons previously employed by boards or commissions.

(3) The division may receive complaints against the conduct of licensees granted licensure by the boards and commissions assigned to the division for administrative purposes. The division shall cause such complaints to be reduced to writing and

1 forwarded to the appropriate board or commission for investigation and a
 2 determination of the validity of the complaint. The division shall keep a record of
 3 all complaints received by it and forwarded to a board or commission.

4 (4) Any board or commission listed in subsection (1) of this section, shall accept
 5 personal checks in payment of license renewal fees.

6 ➔Section 17. KRS 11A.060 is amended to read as follows:

- 7 (1) The Executive Branch Ethics Commission is hereby established.
- 8 (2) The commission shall be composed of five (5) members appointed by the Governor.
- 9 (3) Members of the commission shall serve staggered terms of four (4) years. Of the
 10 initial members appointed as provided in this section, one (1) member shall serve a
 11 term of one (1) year, one (1) member shall serve a term of two (2) years, one (1)
 12 member shall serve a term of three (3) years, and two (2) members shall be
 13 appointed for terms of four (4) years. Thereafter, all appointments shall be for four
 14 (4) years.
- 15 (4) The commission shall elect from its membership a chairman and vice chairman. In
 16 the absence of the chairman or in the event of a vacancy in that position, the vice
 17 chairman shall serve as chairman.
- 18 (5) A member of the commission shall receive one hundred dollars (\$100) per day for
 19 attending meetings and shall be reimbursed for actual and necessary expenses
 20 incurred in the performance of duties.
- 21 (6) All members shall be registered voters of the state.
- 22 (7) Members of the commission shall be removed by the Governor for cause only,
 23 including substantial neglect of duty and inability to discharge the powers and
 24 duties of office.
- 25 (8) A quorum shall consist of three (3) or more members. An affirmative vote of three
 26 (3) or more members shall be necessary for commission action.
- 27 (9) The commission shall meet at the call of the chairman or a majority of its members.

(10) The commission shall be attached to the *Finance and Administration Cabinet*~~[office of the Governor]~~ for administrative purposes only.

➔ Section 18. KRS 12.020 is amended to read as follows:

Departments, program cabinets and their departments, and the respective major administrative bodies that they include are enumerated in this section. It is not intended that this enumeration of administrative bodies be all-inclusive. Every authority, board, bureau, interstate compact, commission, committee, conference, council, office, or any other form of organization shall be included in or attached to the department or program cabinet in which they are included or to which they are attached by statute or statutorily authorized executive order; except in the case of the Personnel Board and where the attached department or administrative body is headed by a constitutionally elected officer, the attachment shall be solely for the purpose of dissemination of information and coordination of activities and shall not include any authority over the functions, personnel, funds, equipment, facilities, or records of the department or administrative body.

I. Cabinet for General Government - Departments headed by elected officers:

1. The Governor.
2. Lieutenant Governor.
3. Department of State.
 - (a) Secretary of State.
 - (b) Board of Elections.
 - (c) Registry of Election Finance.
4. Department of Law.
 - (a) Attorney General.
5. Department of the Treasury.
 - (a) Treasurer.
6. Department of Agriculture.

1 (a) Commissioner of Agriculture.

2 (b) Kentucky Council on Agriculture.

3 7. Auditor of Public Accounts.

4 II. Program cabinets headed by appointed officers:

5 1. Justice and Public Safety Cabinet:

6 (a) Department of Kentucky State Police.

7 (b) Department of Criminal Justice Training.

8 (c) Department of Corrections.

9 (d) Department of Juvenile Justice.

10 (e) Office of the Secretary.

11 (f) Office of Drug Control Policy.

12 (g) Office of Legal Services.

13 (h) Office of the Kentucky State Medical Examiner.

14 (i) Parole Board.

15 (j) Kentucky State Corrections Commission.

16 (k) Office of Legislative and Intergovernmental Services.

17 (l) Office of Management and Administrative Services.

18 (m) Office of Public Safety Training.

19 (n) Office of Investigations.

20 (o) Department of Kentucky Vehicle Enforcement.

21 (p) Department for Public Advocacy.

22 2. Education Cabinet:

23 (a) Office of the Secretary.

24 (b) Office of Legal Services.

25 1. Client Assistance Program.

26 (c) Office of Communication.

27 (d) Office of Legislative and Intergovernmental Affairs.

- 1 (e) Office of Budget and Administration.
- 2 1. Division of Human Resources.
- 3 2. Division of Administrative Services.
- 4 3. Division of Technology Services.
- 5 (f) Board of Directors for the Center for School Safety.
- 6 (g) Council on Postsecondary Education.
- 7 1. Foundation for Adult Education.
- 8 (h) Department of Education.
- 9 1. Kentucky Board of Education.
- 10 (i) Department for Libraries and Archives.
- 11 (j) Department of Workforce Investment.
- 12 1. Office for the Blind.
- 13 2. Office of Vocational Rehabilitation.
- 14 3. Office of Career and Technical Education.
- 15 4. Office of Employment and Training.
- 16 (k) Foundation for Workforce Development.
- 17 (l) Kentucky Office for the Blind State Rehabilitation Council.
- 18 (m) Kentucky Technical Education Personnel Board.
- 19 (n) Kentucky Workforce Investment Board.
- 20 (o) Statewide Council for Vocational Rehabilitation.
- 21 (p) Statewide Independent Living Council.
- 22 (q) Unemployment Insurance Commission.
- 23 (r) Education Professional Standards Board.
- 24 1. Division of Educator Preparation.
- 25 2. Division of Certification.
- 26 3. Division of Professional Learning and Assessment.
- 27 4. Division of Legal Services.

- 1 (s) Kentucky Commission on the Deaf and Hard of Hearing.
- 2 (t) Kentucky Educational Television.
- 3 (u) Kentucky Environmental Education Council.
- 4 3. Environmental and Public Protection Cabinet:
- 5 (a) Office of the Secretary.
- 6 1. Office of Legislative and Intergovernmental Affairs.
- 7 2. Office of Communications and Public Outreach.
- 8 3. Office of Regulatory Affairs.
- 9 4. Office of Legal Services.
- 10 5. Office of Administrative and Information Services.
- 11 6. Office of Administrative Hearings.
- 12 7. Office of Inspector General.
- 13 8. Mine Safety Review Commission.
- 14 9. Workers' Compensation Board.
- 15 10. Kentucky State Nature Preserves Commission.
- 16 11. Kentucky Environmental Quality Commission.
- 17 12. Kentucky Occupational Safety and Health Review Commission.
- 18 (b) Department for Environmental Protection.
- 19 1. Office of the Commissioner.
- 20 2. Division of Air Quality.
- 21 3. Division of Water.
- 22 4. Division of Environmental Services.
- 23 5. Division of Waste Management.
- 24 6. Division of Enforcement.
- 25 7. Division of Compliance Assistance.
- 26 (c) Department for Natural Resources.
- 27 1. Office of the Commissioner.

- 1 2. Office of Technical and Administrative Support.
- 2 3. Division of Mine Permits.
- 3 4. Division of Mine Reclamation and Enforcement.
- 4 5. Division of Abandoned Mine Lands.
- 5 6. Division of Oil and Gas Conservation.
- 6 7. Office of Mine Safety and Licensing.
- 7 8. Division of Forestry.
- 8 9. Division of Conservation.

9 (d) Department of Public Protection.

- 10 1. Office of the Commissioner.
- 11 2. Division of Administrative Services.
- 12 3. Crime Victims Compensation Board.
- 13 4. Board of Claims.
- 14 5. Board of Tax Appeals.
- 15 6. Kentucky Boxing and Wrestling Authority.
- 16 7. Kentucky Horse Racing Authority.
- 17 8. Kentucky Public Service Commission.
- 18 9. Office of Alcoholic Beverage Control.
- 19 10. Office of Charitable Gaming.
- 20 11. Office of Financial Institutions.
- 21 12. Office of Housing, Buildings and Construction.
- 22 13. Office of Insurance.

23 (e) Department of Labor.

- 24 1. Office of the Commissioner.
- 25 2. Office of Occupational Safety and Health.
- 26 3. Office of Labor Management Relations and Mediation.
- 27 4. Office of Workplace Standards.

- 1 5. Office of Workers' Claims.
- 2 6. Workers' Compensation Funding Commission.
- 3 7. Kentucky Labor Management Advisory Council.
- 4 8. Occupational Safety and Health Standards Board.
- 5 9. Prevailing Wage Review Board.
- 6 10. Kentucky Employees Insurance Association.
- 7 11. Apprenticeship and Training Council.
- 8 12. State Labor Relations Board.
- 9 13. Workers' Compensation Advisory Council.
- 10 14. Workers' Compensation Nominating Commission.
- 11 15. Employers' Mutual Insurance Authority.
- 12 16. Division of Administrative Services.
- 13 4. Transportation Cabinet:
- 14 (a) Department of Highways.
 - 15 1. Office of Program Planning and Management.
 - 16 2. Office of Project Development.
 - 17 3. Office of Construction and Operations.
 - 18 4. Office of Intermodal Programs.
 - 19 5. Highway District Offices One through Twelve.
- 20 (b) Department of Vehicle Regulation.
- 21 (c) Department of Administrative Services.
- 22 (d) Department of Aviation.
- 23 (e) Department of Intergovernmental Programs.
 - 24 1. Office of Transportation Enhancement Programs.
 - 25 2. Office of Rural and Secondary Roads.
- 26 (f) Office of the Secretary.
 - 27 1. Office of Legislative and Intergovernmental Affairs.

- 1 2. Office of Public Affairs.
- 2 3. Office of Transportation Delivery.
- 3 4. Office for Business and Occupational Development.
- 4 5. Office of Budget and Fiscal Management.
- 5 6. Office of Legal Services.
- 6 7. Office of Inspector General.
- 7 8. Office of the Transportation Operations Center.
- 8 9. Office of Personnel Management.
- 9 5. Cabinet for Economic Development:
 - 10 (a) Office of Administration and Support.
 - 11 (b) Department for New Business Development.
 - 12 (c) Department of Financial Incentives.
 - 13 (d) Department for Existing Business Development.
 - 14 (e) Tobacco Research Board.
 - 15 (f) Kentucky Economic Development Finance Authority.
 - 16 (g) Office of Research and Information Technology.
 - 17 (h) Department of Commercialization and Innovation.
 - 18 (i) Office of Legal Services.
 - 19 (j) Commission on Small Business Advocacy.
- 20 6. Cabinet for Health and Family Services:
 - 21 (a) Department for Public Health.
 - 22 (b) Department for Medicaid Services.
 - 23 (c) Department for Mental Health and Mental Retardation Services.
 - 24 (d) Kentucky Commission for Children with Special Health Care Needs.
 - 25 (e) Office of Health Policy.
 - 26 (f) Office of the Secretary.
 - 27 (g) Office of Legal Services.

- 1 (h) Office of Inspector General.
- 2 (i) Office of Legislative and Public Affairs.
- 3 (j) Department for Community Based Services.
- 4 (k) Department for Disability Determination Services.
- 5 (l) Office of the Ombudsman.
- 6 (m) Department for Human Support Services.
- 7 (n) Kentucky Commission on Community Volunteerism and Service.
- 8 (o) Office of Fiscal Services.
- 9 (p) Office of Human Resource Management.
- 10 (q) Office of Technology.
- 11 (r) Office of Contract Oversight.
- 12 (s) Governor's Office of Wellness and Physical Activity.
- 13 (t) Department for Aging and Independent Living.
- 14 7. Finance and Administration Cabinet:
- 15 (a) Office of General Counsel.
- 16 (b) Office of the Controller.
- 17 (c) Office of Administrative Services.
- 18 (d) Office of Public Information.
- 19 (e) **Office of Policy and Audit.**
- 20 **(f)** Department for Facilities and Support Services.
- 21 **(g)**~~[(f)]~~ Department of Revenue.
- 22 **(h)**~~[(g)]~~ Commonwealth Office of Technology.
- 23 **(i)**~~[(h)]~~ State Property and Buildings Commission.
- 24 ~~[(i) — Kentucky Savings Bond Authority.]~~
- 25 (j) Office of Equal Employment Opportunity and Contract Compliance.
- 26 (k) Kentucky Employees Retirement Systems.
- 27 (l) Commonwealth Credit Union.

- 1 (m) State Investment Commission.
- 2 (n) Kentucky Housing Corporation.
- 3 (o) Kentucky Local Correctional Facilities Construction Authority.
- 4 (p) Kentucky Turnpike Authority.
- 5 (q) Historic Properties Advisory Commission.
- 6 (r) Kentucky Tobacco Settlement Trust Corporation.
- 7 (s) ~~{State Board for Proprietary Education.~~
- 8 (t)—]Kentucky Higher Education Assistance Authority.
- 9 (u)~~{(u)}~~ Kentucky River Authority.
- 10 (u)~~{(v)}~~ Kentucky Teachers' Retirement System Board of Trustees.
- 11 (v) *Executive Branch Ethics Commission.*
- 12 8. Commerce Cabinet:
- 13 (a) Department of Tourism.
- 14 (1) Division of Tourism Services.
- 15 (2) Division of Marketing and Advertising.
- 16 (3) Division of Parks Marketing.
- 17 (b) Kentucky Department of Parks.
- 18 (1) Division of Information Technology.
- 19 (2) Division of Personnel and Payroll.
- 20 (3) Division of Financial Operations.
- 21 (4) Division of Facilities Management.
- 22 (5) Division of Facilities Maintenance.
- 23 (6) Division of Customer Services.
- 24 (7) Division of Recreation.
- 25 (8) Division of Golf Courses.
- 26 (9) Division of Food Services.
- 27 (10) Division of Rangers.

- 1 (11) Division of Eastern Parks.
- 2 (12) Division of Southern Parks.
- 3 (13) Division of Western Parks.
- 4 (c) Department of Fish and Wildlife Resources.
- 5 (1) Division of Law Enforcement.
- 6 (2) Division of Administrative Services.
- 7 (3) Division of Engineering.
- 8 (4) Division of Fisheries.
- 9 (5) Division of Information and Education.
- 10 (6) Division of Wildlife.
- 11 (7) Division of Public Affairs.
- 12 (d) Kentucky Horse Park.
- 13 (1) Division of Support Services.
- 14 (2) Division of Buildings and Grounds.
- 15 (3) Division of Operational Services.
- 16 (e) Kentucky State Fair Board.
- 17 (1) Division of Expositions and Admission.
- 18 (2) Division of Kentucky Fair and Exposition Center Operations.
- 19 (3) Division of Commonwealth Convention Center.
- 20 (4) Division of Public Relations and Media.
- 21 (5) Division of Administrative Services.
- 22 (6) Division of Personnel Management and Staff Development.
- 23 (7) Division of Sales.
- 24 (8) Division of Security and Traffic Control.
- 25 (f) Office of the Secretary.
- 26 (g) Office of Finance and Administration.
- 27 (h) Office of Legal Affairs.

- 1 (i) Office of Intergovernmental Affairs.
- 2 (j) Office of Human Resources.
- 3 (k) Office of Public Affairs and Constituent Services.
- 4 (l) Office of Information Technology.
- 5 (m) Office of the Kentucky Sports Authority.
 - 6 (1) Kentucky Sports Authority Board.
- 7 (n) Office of Creative Services.
- 8 (o) Office of Capital Plaza Operations.
- 9 (p) Office of Arts and Cultural Heritage.
- 10 (q) Kentucky African-American Heritage Commission.
- 11 (r) Kentucky Foundation for the Arts.
- 12 (s) Kentucky Humanities Council.
- 13 (t) Kentucky Heritage Council.
- 14 (u) Kentucky Arts Council.
- 15 (v) Kentucky Historical Society.
 - 16 (1) Division of Museums.
 - 17 (2) Division of Oral History and Educational Outreach.
 - 18 (3) Division of Research and Publications.
 - 19 (4) Division of Administration.
- 20 (w) Kentucky Center for the Arts.
 - 21 (1) Division of Governor's School for the Arts.
- 22 (x) Kentucky Artisans Center at Berea.
- 23 (y) Martin Luther King Commission.
- 24 (z) Northern Kentucky Convention Center.
- 25 (aa) Eastern Kentucky Exposition Center.
- 26 9. Personnel Cabinet:
 - 27 (a) Office of the Secretary.

- 1 (b) Department for Personnel Administration.
- 2 (c) Office for Employee Relations.
- 3 (d) Kentucky Public Employees Deferred Compensation Authority.
- 4 (e) Office of Administrative Services.
- 5 (f) Office of Legal Services.
- 6 (g) Office of Government Training.
- 7 (h) Department for Employee Insurance.

8 III. Other departments headed by appointed officers:

- 9 1. Department of Military Affairs.
- 10 2. Governor's Office for Local Development.
- 11 3. Kentucky Commission on Human Rights.
- 12 4. Kentucky Commission on Women.
- 13 5. Department of Veterans' Affairs.
- 14 6. Kentucky Commission on Military Affairs.
- 15 7. Office of Minority Empowerment.
- 16 8. Governor's Council on Wellness and Physical Activity.

17 ➔Section 19. KRS 42.0145 is amended to read as follows:

18 (1) The Office of the Secretary of the Finance and Administration Cabinet shall consist
 19 of the Office of General Counsel, Office of Administrative Services, Office of
 20 Public Information, Office of Policy and Audit, and Office of Equal Employment
 21 Opportunity and Contract Compliance, each headed by an executive director who
 22 shall be appointed by the secretary with the approval of the Governor. The Office of
 23 the Secretary shall include a deputy secretary who shall be appointed by the
 24 secretary with the approval of the Governor. The deputy secretary shall be
 25 responsible to and have such authority to sign for the secretary as the secretary
 26 designates in writing.

27 (2) The secretary may organize the office into such additional administrative units as he

1 deems necessary to perform the functions and fulfill the duties of the cabinet,
2 subject to the provisions of KRS Chapter 12.

3 (3) All appointments under this chapter to positions not in the classified service shall be
4 made pursuant to KRS 12.050, and such appointees shall be major assistants to the
5 secretary and shall assist in the development of policy.

6 ➔Section 20. KRS 42.016 is amended to read as follows:

7 The following corporate bodies and instrumentalities of the Commonwealth shall be
8 attached to the Office of the Secretary for administrative purposes and staff services:

9 (1) State Property and Buildings Commission;

10 (2) ~~{Kentucky Savings Bond Authority;~~

11 ~~(3)—}~~Kentucky Turnpike Authority;

12 (3){(4)} State Investment Commission;

13 (4){(5)} Kentucky Housing Corporation;

14 (5){(6)} Kentucky Tobacco Settlement Trust Corporation;~~{ and }~~

15 (6){(7)} Kentucky River Authority; and

16 (7) *Executive Branch Ethics Commission.*

17 ➔Section 21. KRS 42.017 is amended to read as follows:

18 (1) The Office of General Counsel established within the Office of the Secretary by
19 KRS 42.0145 shall be responsible for the coordination and provision of legal
20 services for the cabinet and for other functions and duties as the secretary may
21 assign relating to the performance of the cabinet's legal services.

22 (2) The Office of General Counsel shall be headed by an executive director who shall
23 function as the general counsel. The executive director shall be appointed in
24 accordance with KRS 12.210 and shall report to the secretary. The Attorney
25 General, on request of the secretary, may designate attorneys in the Office of
26 General Counsel as assistant attorneys general as provided in KRS 15.105.

27 (3) The Office of General Counsel shall consist of two (2) offices, each of which shall

1 provide legal services for its respective offices and departments, as follows:

- 2 (a) Office of Legal Services for Finance and Technology, headed by an executive
3 director and composed of organizational entities deemed appropriate by the
4 secretary of the Finance and Administration Cabinet; and
- 5 (b) Office of Legal Services for Revenue, headed by an executive director,
6 including~~[the Division of Protest Resolution and any additional]~~
7 organizational entities deemed appropriate by the secretary of the Finance and
8 Administration Cabinet.

9 ➔Section 22. KRS 42.0171 is amended to read as follows:

- 10 (1) The Office of Administrative Services established in KRS 42.0145 shall be
11 generally responsible for all internal administrative and human resource functions
12 of the cabinet, including but not limited to providing administrative assistance;
13 managing and preparing the cabinet's budget; performing general accounting;
14 managing fiscal, personnel, and payroll functions of the cabinet; providing
15 statewide postal and printing services; providing administrative support to boards
16 and commissions; and performing any additional administrative functions and
17 duties the secretary may assign.
- 18 (2) There shall be established in the Office of Administrative Services the Division of
19 Budget and Planning, the Division of Human Resources, the Division of
20 Administrative Support Services,~~[the Division of Occupations and Professions,]~~
21 the Division of Postal Services, and the Division of **Fleet Management**~~[Printing~~
22 ~~Services]~~, each of which shall be headed by a division director appointed by the
23 secretary of the Finance and Administration Cabinet, subject to the approval of the
24 Governor, and who shall be responsible to the executive director of the Office of
25 Administrative Services. There may be, if needed, sections assigned to specific
26 areas of work, responsible directly to the executive director of the Office of
27 Administrative Services.

1 ➔Section 23. KRS 42.0172 is amended to read as follows:

2 ~~[(1) The Division of Printing Services shall be responsible for the printing and~~
 3 ~~duplicating needs of state agencies, as designated by the Finance and~~
 4 ~~Administration Cabinet.~~

5 (2)]The Division of Postal Services shall operate the centralized postal services for
 6 executive branch agencies as set forth in KRS 12.020. The division shall operate at a
 7 central location with additional locations necessary to maintain and improve service
 8 levels.

9 ➔Section 24. KRS 42.0201 is amended to read as follows:

10 (1) There is created within the Finance and Administration Cabinet the Office of the
 11 Controller.

12 (2) The Office of the Controller shall be headed by an executive director appointed by
 13 the secretary of the Finance and Administration Cabinet with the approval of the
 14 Governor. The executive director shall function as the state controller, who shall be
 15 a person qualified by education and experience for the position and held in high
 16 professional esteem in the accounting community.

17 (3) The state controller shall be the Commonwealth's chief accounting officer and shall
 18 be responsible for all aspects of accounting policies and procedures, financial
 19 accounting systems, and internal accounting control policies and procedures. The
 20 Office of the Controller shall establish guidelines for state personnel administration
 21 on issues relating to paycheck distribution dates, assignment of data elements to
 22 accurately report labor costs, assignment and tracking of actual expenditures by
 23 code, and coverage issues relating to Social Security and Medicare.

24 (4) The state controller; the executive director of the Office of Financial Management,
 25 Finance and Administration Cabinet; and the state budget director designated under
 26 KRS 11.068 shall develop and maintain the Commonwealth's strategic financial
 27 management program.

1 (5) Executive directors and division directors appointed under this section shall be
2 appointed by the secretary with the approval of the Governor.

3 (6) There are established in the Office of the Controller the following organizational
4 entities:

5 (a) ~~{The Office of Policy and Audit, which shall be headed by an executive~~
6 ~~director and shall have the duties and responsibilities established in KRS~~
7 ~~42.065 and 42.0651;~~

8 (b) ~~—~~The Office of Financial Management, which shall be headed by an executive
9 director, ~~{and}~~ shall have the duties and responsibilities established in KRS
10 42.410, and shall serve as administrative staff to the Turnpike Authority of
11 Kentucky. The executive director shall serve as secretary to the authority;

12 (b)(e) The Office of Material and Procurement Services, which shall be headed
13 by an executive director and shall have the duties established in KRS 42.024;

14 ~~{(d) The Office of Customer Resource Center, which shall be headed by an~~
15 ~~executive director and shall be responsible for providing a help desk for users~~
16 ~~of state government's financial and procurement system, including state~~
17 ~~employee users and vendors and payees of the Commonwealth who do, or~~
18 ~~would like to do, business with the state; training state employees in the use of~~
19 ~~state government's financial and procurement system; and assisting cabinet~~
20 ~~entities in improving the quality of their products and processes;}~~

21 (c)(e) The Division of Local Government Services, which shall be headed by a
22 division director and shall be responsible for:

- 23 1. Providing property valuation administrators with fiscal, personnel,
24 payroll, training, and other essential administrative support services;
- 25 2. Overseeing Kentucky's Social Security coverage program, including but
26 not limited to all aspects of FICA wage reporting for state government
27 and the Commonwealth's Social Security coverage agreement;

3. Serving as liaison between local governments and the federal Internal Revenue Service and Social Security Administration;
4. Serving as the payroll and fiscal officer for the sheriff and clerk in counties over seventy thousand (70,000) in population, disbursing various reimbursements and expenditures to local governments and serving as liaison and conduit for all court fees associated with report of state money through the Circuit Courts;
5. Directing the federal employment tax program for state employees; and
6. Performing state government's duties relating to the county fee system for local entities;

(d)~~(f)~~ The Office~~[Division]~~ of Statewide Accounting Services, headed by an executive~~[a division]~~ director appointed by the secretary of the Finance and Administration Cabinet, subject to the approval of the Governor. The executive director shall report directly to the state controller. The office~~[division]~~ shall perform financial record keeping functions at the state controller's direction, and shall be responsible for the performance of the cabinet's functions outlined in KRS 45.305, 48.800, and other related statutes. There is established within the Office of Statewide Accounting Services the Division of Customer Resource Center which shall be headed by a division director appointed by the secretary pursuant to KRS 12.050 and who shall report to the executive director of the Office of Statewide Accounting Services. The division shall be responsible for:

1. Providing a help desk for users of state government's financial and procurement system, including state employee users and vendors and payees of the Commonwealth who do, or would like to do, business with the state;
2. Training state employees in the use of state government's financial

1 and procurement system; and

2 3. Assisting cabinet entities in improving the quality of their products

3 and processes; and

4 (e) The Division of State Risk and Insurance Services, headed by a division
 5 director appointed by the secretary of the Finance and Administration
 6 Cabinet, subject to the approval of the Governor. The director shall report
 7 directly to the state controller. The division shall be responsible for
 8 procuring insurance for all state-owned and state-operated facilities and
 9 vehicles.

10 ➔Section 25. KRS 42.065 is amended to read as follows:

11 (1) The Office of Policy and Audit established in the Office of the
 12 Secretary~~[Controller]~~ in Section 19 of this Act~~[KRS 42.0201]~~ may, with the
 13 approval of the secretary of the Finance and Administration Cabinet, conduct any
 14 internal audit, investigation, or management review in the Finance and
 15 Administration Cabinet related to the secretary's duties and responsibilities as chief
 16 financial officer of the Commonwealth pursuant to KRS 42.012.

17 (2) When it is necessary to complete an internal audit, investigation, or management
 18 review in the Finance and Administration Cabinet, with the written approval of the
 19 secretary of the Finance and Administration Cabinet, the Office of Policy and Audit
 20 shall have access during business hours to all books, reports, papers, and accounts
 21 in the office or under the custody or control of any budget unit, or of any other
 22 program cabinet, department, or agency under the authority and direction of the
 23 Governor.

24 ➔Section 26. KRS 42.425 is amended to read as follows:

25 (1) (a) The Department for Facilities and Support Services established in the Finance
 26 and Administration Cabinet by KRS 42.014 shall be generally responsible for
 27 performance of the cabinet's functions and duties as outlined in KRS Chapters

45, 45A, and 56 with relation to the management and administration of the State Capital Construction Program, including without limitation to the generality thereof the procurement of necessary consulting services related to capital construction and building renovation projects, construction services, and supervision of building construction projects, and for the maintenance and operation of the state government's real property management functions and physical plant management functions.

(b) The department shall be headed by a commissioner appointed by the secretary of the Finance and Administration Cabinet.

(c) The department shall have the primary responsibility for developing and implementing policies applicable to all state agencies to ensure effective planning for and efficient operation of state office buildings, and shall provide appropriate assistance regarding the planning and efficient operation of all state facilities.

(d) The department shall be divided for administrative and operational purposes into a:

1. Office of Facility Development and Efficiency, headed by an executive director appointed by the secretary in accordance with KRS 12.050.

The office shall analyze and monitor guaranteed energy savings performance contracts for state agencies. The office shall include:

a. The Division of Engineering and Contract Administration; and

b. The Division of Facility Efficiency~~[Division of Engineering and Contract Administration];~~

2. Office of Building and Mechanical Services, headed by an executive director appointed by the secretary in accordance with KRS 12.050. The office shall provide building and grounds maintenance, mechanical maintenance, and electronic security services to state-owned facilities

1 across the Commonwealth and shall consist of the Division of Building
2 Services and the Division of Mechanical Services;

3 3. Division of Real Properties;

4 4. Division of Historic Properties; and

5 5. Division of Surplus Properties.

6 (e) Each division shall be headed by a division director appointed by the
7 secretary, subject to the approval of the Governor, and responsible to the
8 commissioner of the Department for Facilities and Support Services. The
9 commissioner shall provide for the distribution of the department's work
10 among the divisions within the department.

11 (f) The Division of Surplus Properties shall be responsible for the disposition of
12 all personal property of the state declared surplus. The division shall be the
13 single state agency of the Commonwealth of Kentucky that may receive,
14 warehouse, and distribute surplus property under the Federal Property and
15 Administrative Services Act of 1949, as amended, and any other federal law
16 relating to the disposal of surplus federal property to the states and political
17 subdivisions within the states. The division shall comply with federal laws
18 and regulations in the administration of surplus property received through
19 federal agencies. The division director may promulgate administrative
20 regulations in accordance with KRS Chapter 13A as necessary to comply with
21 minimum standards established by federal laws and regulations governing
22 disposal of surplus federal property and to implement the fee or service charge
23 provisions contained in this paragraph. The division director may establish,
24 charge, and collect from donees of federal surplus property a fair and
25 reasonable fee or service charge to defray the cost of operating the surplus
26 property disposal program. The fees shall be deposited in a trust and agency
27 account in the State Treasury to the credit of the Division of Surplus

1 Properties.

2 (2) In conjunction with the responsibilities listed in subsection (1) of this section, the
3 Department for Facilities and Support Services shall have the following duties:

4 (a) Establish policies to ensure efficient utilization of state property by:

- 5 1. Requiring the development of guidelines which set forth space standards
6 and criteria for determining the space needs of state agencies, and
7 maintaining an inventory which tracks the agencies' compliance with
8 those standards and criteria; and
- 9 2. Requiring certification of compliance, or justification for exceptions, as
10 a criterion for approval of additional space;

11 (b) Establish policies to ensure effective planning for state facilities by:

- 12 1. Developing a long-range plan for the Frankfort area, with priority on
13 reducing dependency on leased space and encouraging the consolidation
14 of agencies' central offices into single locations, and shared offices for
15 agencies with similar functions; and
- 16 2. Developing long-range plans for housing state agencies in metropolitan
17 areas, with priority on centralization of services and coordination of
18 service delivery systems; and
- 19 3. Encouraging executive branch agencies to expand long-range planning
20 efforts, consistent with the policies of the Capital Planning Advisory
21 Board; and
- 22 4. Supporting long-range planning for a statewide information technology
23 infrastructure to more efficiently deliver state government services;

24 (c) Establish priorities to allow least-cost financing of state facilities by:

- 25 1. Initiating policies which authorize the state to use innovative methods to
26 lease, purchase, or construct necessary facilities; and
- 27 2. Requiring cost analysis to determine the most effective method of

1 meeting space needs, with consideration for ongoing operations and
 2 initial acquisition; and

3 (d) Implement and maintain a comprehensive real property and facilities
 4 management database to include all state facilities and land owned or leased
 5 by the executive branch agencies, including any postsecondary institution. All
 6 state agencies and postsecondary institutions shall work cooperatively with the
 7 Department for Facilities and Support Services to implement and maintain the
 8 database.

9 (3) The Department for Facilities and Support Services shall develop plans for the
 10 placement of computing and communications equipment in all facilities owned or
 11 leased by state government. As part of this planning process, the department shall:

12 (a) Provide adequate site preparation in all state-owned facilities and require the
 13 same of those from whom the state leases space as part of the lease agreement;

14 (b) Fund a minimum level of site preparation for computing and communications
 15 in each new state-owned facility; and

16 (c) As new office sites are developed, or existing ones undergo renovation,
 17 consider the placement of shareable high-cost, high-value facilities at strategic
 18 locations throughout the state. These facilities may include video
 19 teleconference centers, optical scanning and storage services, and gateways to
 20 high-speed communication networks.

21 ➔Section 27. KRS 45A.065 is amended to read as follows:

22 (1) ~~{The secretary of the Finance and Administration Cabinet may establish a~~
 23 ~~procurement advisory council which shall meet at least once a year for the~~
 24 ~~discussion of problems and recommendations for improvement of the procurement~~
 25 ~~process. When requested by the secretary, the procurement advisory council shall~~
 26 ~~conduct studies, research, analyses, and make reports and recommendations with~~
 27 ~~respect to such subjects or matters within the jurisdiction of the secretary as may be~~

prescribed. The procurement advisory council may consist of such qualified representatives of government, industry, educational institutions, and the general public as the secretary may deem desirable. Members shall be reimbursed for expenses incurred in the performance of council duties subject to the provisions of KRS 45.101.

(2) The secretary of the Finance and Administration Cabinet may appoint advisory councils to assist him with respect to specifications and procurement in specific commodity areas as well as other matters within his authority. Advisory council members may consist of such qualified representatives of government, industry, educational institutions, and the general public as the secretary may deem desirable. Members shall be reimbursed for expenses incurred in the performance of council duties subject to the provisions of KRS 45.101 [various qualified representatives as described in subsection (1) of this section, as may be appropriate for the designated task or project. Compensation shall be provided as in subsection (1) of this section].

(2)(3) The secretary may also establish and maintain, either alone or in cooperation with other states, the federal government, municipalities, or other units of local government, a procurement institute for the purpose of disseminating information concerning state procurement and for training and educating officials and other persons in procurement, including persons not employed by the Commonwealth.

➔ Section 28. KRS 45A.182 is amended to read as follows:

(1) When a capital project is to be constructed utilizing the design-build method in accordance with KRS 45A.180, a process parallel to the selection committee procedures established in KRS 45A.810 shall apply when procuring a design-build team and shall incorporate the following:

(a) The evaluation process may include a multiple phased proposal that is based on qualifications, experience, technical requirements, guaranteed maximum

price, and other criteria as set forth in the request for proposal. The guaranteed maximum price component shall be submitted by the offeror independently of other documents and shall be held by the executive director of the Office of Facility Development and Efficiency~~[Division of Engineering and Contract Administration]~~.

(b) Each evaluator shall independently score each phase and indicate a total score for all evaluation factors as set forth in the request for proposal.

(c) Final phase proposals from the offerors on the short list shall be evaluated and scored by the evaluation committee members who shall not have knowledge of the guaranteed maximum price component. Each evaluator shall independently score the final phase proposals and indicate a total score. A total average score shall be calculated for each offeror. Then each offeror's respective score for the guaranteed maximum price shall be added. The offeror with the highest point total in the final phase shall receive the contract award unless the guaranteed maximum price proposal is in excess of the authorized budget. If two (2) or more of the offerors achieve the same highest point total at the end of the final phase scoring, the purchasing officer shall request best-and-final proposals from each offeror.

(d) If the guaranteed maximum price of the offeror with the highest point total in the final phase is greater than the amount of funds identified in the request for proposal, then competitive negotiations may be conducted with the offerors under the following restrictions:

1. If discussion pertaining to the revision of the specifications or quantities are held, the offerors shall be afforded an opportunity to take part in such discussions.
2. Written revisions of the specifications shall be made available to each of the offerors and shall provide for an expeditious response.

1 3. Information derived from revised maximum guaranteed price proposals
2 shall not be disclosed to competing offerors.

3 (2) A request for proposal or other solicitation may be canceled, or all proposals may be
4 rejected, if it is determined in writing that such action is taken in the best interest of
5 the Commonwealth and approved by the purchasing officer.

6 ➔Section 29. KRS 48.005 is amended to read as follows:

7 (1) The General Assembly hereby finds and declares that:

8 (a) Public accountability for funds or other assets recovered in a legal action by or
9 on behalf of the general public, the Commonwealth, or its duly elected
10 statewide constitutional officers is appropriate and required, whether the
11 character of the assets or funds recovered is public or private;

12 (b) Accountability for assets or funds recovered by duly elected statewide
13 constitutional officers is essential to the public trust, and is even more critical
14 when that officer was a party to the action that resulted in the recovery by
15 virtue of the public office he or she holds;

16 (c) Public accountability demands the applicability of the Kentucky Open
17 Records Law, KRS 61.870 to 61.884, and the Kentucky Open Meetings Law,
18 KRS 61.805 to 61.850, so that the actions of individuals or agencies who are
19 charged with the administration of funds or other assets are conducted in full
20 view, and are open to public scrutiny;

21 ~~[(d) The General Assembly recognizes that the Attorney General of the~~
22 ~~Commonwealth of Kentucky has filed or been a party to actions by virtue of~~
23 ~~the public office he holds, and has recovered certain assets or funds of~~
24 ~~approximately forty five million dollars (\$45,000,000), plus interest, for or on~~
25 ~~behalf of the citizens of the Commonwealth in the cases of Commonwealth of~~
26 ~~Kentucky, ex rel., Attorney General, Albert B. Chandler, III v. Anthem~~
27 ~~Insurance Companies, Inc., Southeastern Group, Inc., Southeastern United~~

1 ~~Medigroup, Inc., Franklin Circuit Court, Division I, Civil Action No. 97-CI-~~
 2 ~~01566, and Southeastern United Medigroup, Inc., Southeastern Group, Inc.,~~
 3 ~~and Anthem Insurance Companies, Inc., v. Commonwealth of Kentucky,~~
 4 ~~Department of Insurance, Franklin Circuit Court, Division II, Civil Action No.~~
 5 ~~97-CI-00405;~~

6 ~~(e) The terms of the settlement of those actions referenced in subsection (1)(d) of~~
 7 ~~this section serve a public purpose and require that the proceeds of settlement~~
 8 ~~be used "to address the unmet health care needs of Kentucky citizens";~~

9 ~~(f) In accordance with the terms of the settlement referenced in subsection (1)(d)~~
 10 ~~of this section, a foundation has been or is to be formed and appointments to~~
 11 ~~that foundation made after receiving recommendations from an advisory board~~
 12 ~~whose appointments will be made from nominees of the Attorney General;~~

13 ~~(g) While it may be important that, in certain circumstances, funds or assets~~
 14 ~~received retain their character, identity, and purpose, it is also important that~~
 15 ~~the process by which funds are administered and the individuals named to~~
 16 ~~serve on the advisory board and the foundation in the settlement referenced in~~
 17 ~~subsection (1)(d) of this section be open to public scrutiny and be required to~~
 18 ~~make reports and be accountable to the public; and]~~

19 (d)~~(h)~~ The power to appropriate funds for public purposes is solely within the
 20 purview of the legislative branch of government, and the General Assembly,
 21 as a steward of the budgetary process, shall take steps to assure that future
 22 settlements are handled in a manner that assures maximum accountability to
 23 the citizens of the Commonwealth and their duly elected legislative
 24 representatives.

25 (2) Therefore, any other provision of the common law or statutory law to the contrary
 26 notwithstanding:

27 (a) ~~[The provisions of subsection (3) of this section shall apply to the settlement~~

1 ~~referenced in subsection (1)(d) of this section, and to the advisory board,~~
 2 ~~corporation, organization, foundation, charitable trust, constructive trust,~~
 3 ~~board, commission, or entity, created by court order or otherwise, to~~
 4 ~~administer the settlement proceeds to provide for the "unmet health care needs~~
 5 ~~of Kentucky citizens"; and~~

6 ~~(b) Except for the settlement referenced in subsection (1)(d) of this section,]~~The
 7 provisions of subsection ~~(3)~~~~(4)~~ of this section shall apply whenever the
 8 Attorney General or other duly elected statewide constitutional officer is a
 9 party or has entered his appearance in a legal action on behalf of the
 10 Commonwealth of Kentucky, including ex rel. or other type actions, and a
 11 disposition of that action has resulted in the recovery of funds or assets to be
 12 held in trust by the Attorney General or other duly elected statewide
 13 constitutional officer or a person, organization, or entity created by the
 14 Attorney General or the Commonwealth, through court action or otherwise, to
 15 administer the trust funds or assets, for charitable, eleemosynary, benevolent,
 16 educational, or similar public purposes;

17 ~~(b)(c)~~ Except as otherwise provided in paragraph~~[paragraphs]~~ (a)~~[and (b)]~~ of
 18 this subsection, the provisions of subsection ~~(4)~~~~(5)~~ of this section shall apply
 19 when any funds or assets of any kind or nature whatsoever, including, but not
 20 limited to, public funds as defined in KRS 446.010 and private funds or assets
 21 are recovered by judgment or settlement of a legal action by or on behalf of
 22 the Commonwealth of Kentucky, including ex rel. or other type actions filed
 23 by a duly elected statewide constitutional officer under that officer's statutory
 24 or common law authority.

25 (3) ~~[The advisory board, corporation, organization, foundation, charitable trust,~~
 26 ~~constructive trust, board, commission, or entity, created by court order or otherwise,~~
 27 ~~in accordance with the settlement outlined in subsection (1)(d) of this section, shall~~

1 be deemed a public trust, and shall:

2 ~~(a) Be subject to the Kentucky Open Records Act, KRS 61.870 to 61.884, and the~~
3 ~~Kentucky Open Meetings Act, KRS 61.805 to 61.850;~~

4 ~~(b) Be audited on an annual basis by the Auditor of Public Accounts;~~

5 ~~(c) Provide any records, documents, written reports, and audits to the Governor,~~
6 ~~Auditor of Public Accounts, and the Legislative Research Commission, as~~
7 ~~may be requested;~~

8 ~~(d) Provide representatives of the organization or entity to testify before any~~
9 ~~committee of the General Assembly, when requested, concerning the work~~
10 ~~and financial condition of the organization or entity;~~

11 ~~(e) Encourage the Franklin Circuit Court to authorize the Governor to appoint~~
12 ~~two (2) at large members to the board of directors of the foundation created by~~
13 ~~the settlement agreement; and~~

14 ~~(f) Provide written notice of any disbursement of funds or assets to the co-chairs~~
15 ~~of the Interim Joint Committee on Appropriations and Revenue, the secretary~~
16 ~~of the Finance and Administration Cabinet, and the state controller at least~~
17 ~~fourteen (14) days prior to making disbursement. Within forty five (45) days~~
18 ~~after receipt of the notice of disbursement of funds or assets in accordance~~
19 ~~with this subsection, the Interim Joint Committee on Appropriations and~~
20 ~~Revenue may hold a hearing on the disbursement. If requested by the Interim~~
21 ~~Joint Committee on Appropriations and Revenue, members of the advisory~~
22 ~~board, corporation, organization, foundation, charitable trust, constructive~~
23 ~~trust, board, commission, or entity making disbursement and the person,~~
24 ~~organization, or other entity receiving the disbursement shall appear and give~~
25 ~~testimony concerning the proposed disbursement. Following the hearing, the~~
26 ~~Interim Joint Committee on Appropriations and Revenue shall make findings~~
27 ~~concerning whether or not the disbursement:~~

1 1. ~~Is consistent with the nature, character, and purpose for which the funds~~
2 ~~were recovered; and~~

3 2. ~~Is in the best interest of the Commonwealth.~~

4 ~~A copy of the findings shall be publicly released and mailed or otherwise~~
5 ~~delivered to the entity or organization seeking disbursement, the secretary of~~
6 ~~the Finance and Administration Cabinet, and the state controller.~~

7 (4) ~~Except for the settlement referenced in subsection (1)(d) of this section,]Whenever~~
8 the Attorney General or other duly elected statewide constitutional officer is a party
9 to or has entered his appearance in, a legal action on behalf of the Commonwealth
10 of Kentucky, including ex rel. or other type actions, and a disposition of that action
11 has resulted in the recovery of funds or assets to be held in trust by the Attorney
12 General or other duly elected statewide constitutional officer or by a person,
13 organization, or entity created by the Attorney General, or the Commonwealth,
14 through court action or otherwise, to administer the trust funds or assets, for
15 charitable, eleemosynary, benevolent, educational, or similar public purposes, those
16 funds shall be deposited in the State Treasury and the funds or assets administered
17 and disbursed by the Office of the Controller~~[Charitable Asset Administration~~
18 ~~Board created under this section. As used in this section "CAAB" means the~~
19 ~~Charitable Asset Administration Board.~~

20 (a) ~~The CAAB shall consist of the following members, who shall be confirmed~~
21 ~~by the Senate under KRS 11.160, and who shall serve at the pleasure of the~~
22 ~~duly elected statewide constitutional officer making the appointment during~~
23 ~~that constitutional officer's term of office:~~

24 1. ~~Three (3) members to be appointed by the Governor;~~

25 2. ~~Three (3) members to be appointed by the Attorney General; and~~

26 3. ~~Three (3) members to be appointed by the Auditor of Public Accounts.~~

27 (b) ~~Each duly elected statewide constitutional officer under paragraph (a) of this~~

subsection shall appoint at least one (1) member who has a background in the administration of charitable, eleemosynary, benevolent, educational, or similar type trust assets, but shall not be currently involved in any activity that would violate the provisions of KRS 11A.040, as they relate to the performance of the appointee's duties on the CAAB.

(c) ~~All appointees to the CAAB shall comply with the provisions of the Executive Branch Code of Ethics found in KRS Chapter 11A.~~

(d) ~~A vacancy in the membership of the CAAB shall be filled in the same manner and under the same conditions as the initial appointment to the board.~~

(e) ~~The CAAB shall:~~

1. ~~Be a nonprofit, de jure, quasi governmental corporation subject to the Kentucky Open Records Law, KRS 61.870 to 61.884, and Kentucky Open Meetings Law, KRS 61.800 to 61.850;~~

2. ~~Have any and all general corporate, trust, or other powers reasonable or necessary to fulfill the requirements and purposes of the CAAB;~~

3. ~~Be audited on an annual basis by the Auditor of Public Accounts;~~

4. ~~Provide any documents, written reports, and audits to the Legislative Research Commission as may be requested; and~~

5. ~~Provide representatives of the organization or entity to testify before any committee of the Kentucky General Assembly when requested concerning the work and financial condition of the CAAB.~~

(f) ~~The CAAB shall have full authority over the administration, control, and disbursement of any funds recovered under this subsection. The CAAB shall receive, analyze, administer, disburse, and preserve the identity, character, and nature and the charitable, eleemosynary, benevolent, educational, or similar public purpose of the funds or assets received consistent with this subsection and the authority for administering the funds recovered as set forth in the:~~

1. ~~Articles of incorporation and bylaws of the corporation;~~
2. ~~Partnership agreement or other business association agreement;~~
3. ~~Contractual agreement;~~
4. ~~Governing documents of the public or private foundation;~~
5. ~~Charitable trust documents;~~
6. ~~Terms of the constructive trust;~~
7. ~~Orders of a state or federal court;~~
8. ~~State or federal law or regulation; or~~
9. ~~Any other governing documents necessary to properly administer the funds recovered.~~

(g) ~~The CAAB may hold public hearings, if necessary, concerning the proper administration or disbursement of trust assets received and to be administered under this subsection.~~

(h) 1. ~~After April 21, 2000, all charitable, eleemosynary, benevolent, educational, or similar type trust funds or assets, to which this subsection applies, recovered by way of judgment, settlement, or otherwise, shall be transferred to the CAAB for administration of those funds or assets consistent with their charitable, eleemosynary, benevolent, educational, or similar public purpose and the provisions of this subsection.~~

2. ~~For those legal actions settled prior to April 21, 2000, except for the settlement outlined in subsection (1)(d) of this section to which subsection (3) of this section shall apply, where charitable, eleemosynary, benevolent, educational, or similar type trust funds or assets, are recovered by way of judgment or settlement, and to which this subsection would otherwise be applicable, the federal and state courts where those actions are pending are encouraged to transfer any~~

1 ~~trust funds or assets remaining after administration to the CAAB}.~~

2 ~~(4) [(5)]~~ (a) Any other provision of the common law or statutory law to the contrary
 3 notwithstanding, and except as otherwise provided in this section, any funds
 4 or assets of any kind or nature whatsoever, including, but not limited to,
 5 public funds as defined in KRS 446.010 and private funds or assets when
 6 recovered by judgment or settlement of a legal action by or on behalf of the
 7 Commonwealth of Kentucky, including ex rel. or other type actions filed by a
 8 duly elected statewide constitutional officer under that officer's statutory or
 9 common law authority shall be deemed public funds, and shall be deposited
 10 into an account maintained by the Finance and Administration Cabinet.

11 (b) No funds to which this subsection applies when deposited in an account
 12 maintained by the Finance and Administration Cabinet shall be disbursed
 13 without a specific legislative appropriation of the deposited funds by the
 14 General Assembly while in regular or special legislative session.

15 ~~(5) [(6)]~~ The common law, including the common law authority of any duly elected
 16 statewide constitutional officer, is specifically abrogated to the extent it is
 17 inconsistent with the provisions of this section.

18 ~~(6) [(7)]~~ The provisions of this section shall not apply to actions by or on behalf of the
 19 Commonwealth or its duly elected statewide constitutional officers, if the recovery
 20 sought and received is for specific individuals identified as parties to the action
 21 either by individual Social Security number, other individual identifying number, or
 22 by the individual's proper name.

23 ~~(7) [(8)]~~ Notwithstanding any statute or common law to the contrary, and except as
 24 provided in this subsection, an elected statewide constitutional officer or any other
 25 state official or agency shall not file or participate as a plaintiff, petitioner, party,
 26 intervening party, attorney, or amicus curiae in any litigation challenging the
 27 constitutionality of this section. State funds and employee time shall not be

1 expended by any person or agency in support of such a challenge. If the
 2 constitutionality of this section is challenged, the Finance and Administration
 3 Cabinet shall be the sole named respondent in that litigation, and shall consult with
 4 the Legislative Research Commission regarding defense of that litigation.

5 ➔Section 30. KRS 56.450 is amended to read as follows:

- 6 (1) There is recognized, as an independent agency of the state within the meaning of
 7 KRS Chapter 12, and as a constituted authority of the Commonwealth of Kentucky,
 8 a state and a sovereign entity within the meaning of regulations of the United States
 9 Department of the Treasury, Internal Revenue Service, a State Property and
 10 Buildings Commission composed of the Governor, who shall be chairman thereof,
 11 the Lieutenant Governor who shall be vice chairman of the commission, the
 12 Attorney General, the secretary of the Cabinet for Economic Development, the
 13 executive director of the Office of the Controller, the state budget director, and the
 14 secretary of the Finance and Administration Cabinet, or their alternates as
 15 authorized in subsection (5) of this section.
- 16 (2) No member of the commission shall receive any salary, fee, or other remuneration
 17 for his services as a member of the commission, but each member shall be entitled
 18 to be reimbursed for his ordinary traveling expenses, including meals and lodging,
 19 incurred in the performance of his duties.
- 20 (3) The commission shall constitute a public body corporate with perpetual succession
 21 and power in its name to contract and be contracted with, sue and be sued, adopt
 22 bylaws, have and use a corporate seal, and exercise all of the powers granted to
 23 private corporations generally in KRS Chapter 271B, except as that chapter may be
 24 inconsistent with KRS 56.440 to 56.550.
- 25 (4) Subject to the provisions of KRS 56.550, but notwithstanding any other provision
 26 of the Kentucky Revised Statutes to the contrary, all revenue bonds issued by state
 27 agencies, except as provided in this chapter (but not including bonds issued directly

1 by and in the name of the Commonwealth of Kentucky under authorization of the
2 executive cabinet), shall be issued under the provisions of this chapter. As an
3 additional and alternative method for the issuance of revenue bonds under the
4 provisions of this chapter, upon application of any state agency and approval by the
5 commission, the commission acting for and on behalf of said state agency may issue
6 revenue bonds in its own name, in accordance with the terms and provisions of
7 KRS Chapter 58, secured by and payable solely from all or any part of the revenues
8 of the state agency as may be specified and provided in the approved application.
9 Any covenants and undertakings of the state agency in the approved application
10 with regard to the production of revenues and the use, application, or disposition
11 thereof may be enforced by the holders of any of the revenue bonds or by any
12 trustee for such bondholders. The issuance of any revenue bonds for the state or any
13 of its agencies by or on behalf of the Kentucky Economic Development Finance
14 Authority and the issuance of any revenue bonds for economic development
15 projects authorized by Acts 1980, Ch. 109, shall require the prior approval of the
16 State Property and Buildings Commission. In issuing bonds under its own name, or
17 in approving issuance of bonds by other state agencies, the commission shall be
18 deemed to be acting for the state government of the Commonwealth of Kentucky as
19 one (1) unit within the meaning of the regulations of the United States Department
20 of the Treasury, Internal Revenue Service, and it shall be limited to the issuance of
21 bonds to accomplish the public purposes of that unit.

- 22 (5) (a) Each member of the commission may designate, by an instrument in writing
23 over his signature and filed with the secretary as a public record of the
24 commission, an alternate with full authority to attend in the absence of the
25 appointing member for any reason, any properly convened meeting of the
26 commission and to participate in the consideration of, and voting upon,
27 business and transactions of the commission. Any designation of an alternate

may, in the discretion of the appointing member, be limited upon the face of the appointing instrument, to be effective only for a designated meeting or only for specified business; or the same may be shown on the face of the appointing instrument to be on a continuing basis (but in no case for a period of more than four (4) years), whenever the appointing member is unable to attend, but always subject to revocation by the appointing member in an instrument of like formality, similarly filed with the secretary as a public record of the commission. Any party transacting business with the commission, or materially affected thereby, shall be entitled to accept and rely upon a joint certificate of the secretary of the commission and any member of the commission concerning the designation of any alternate, the time of designation, the scope thereof, and if of a continuing nature, whether the same has been revoked, and when; and the joint certificate shall be made and delivered to any such party within a reasonable time after written request is made therefor with acceptable identification of the business or transaction referred, and of the requesting party's interest therein. Each alternate shall be a person on the staff of the appointing member, or in the employ of his agency or department of the government of the Commonwealth, as the case may be.

(b) Any four (4) members of the commission, or their alternates authorized under paragraph (a) of this subsection, shall constitute a quorum and shall by majority vote be authorized to transact any and all business of the commission.

(c) The State Property and Buildings Commission is reconstituted as of October 1, 1976, with the powers herein provided.

➔Section 31. KRS 56.861 is amended to read as follows:

(1) There is recognized as an independent agency of the state within the meaning of KRS Chapter 12, and as a constituted authority of the Commonwealth of Kentucky,

1 a state and a sovereign entity within the meaning of regulations of the United States
 2 Department of Treasury, Internal Revenue Service, a Kentucky Asset/Liability
 3 Commission composed of the secretary of the Finance and Administration Cabinet,
 4 who shall be chair; the Attorney General; the State Treasurer; the executive director
 5 of the Office of the Controller; and the state budget director, or their alternates as
 6 authorized in KRS 56.865. The vice chair shall be elected from among the
 7 membership.

8 (2) Any ~~three~~ (3) members of the commission, or their alternates, shall constitute a
 9 quorum and shall by a majority vote be authorized to transact any and all business
 10 of the commission.

11 (3) No member shall receive any salary, fee, or other remuneration for services as a
 12 member of the commission, but each shall be entitled to reimbursement for ordinary
 13 traveling expenses, including meals and lodging, incurred in the performance of the
 14 member's duties.

15 (4) The commission shall constitute a public body corporate with perpetual succession
 16 and power in name to contract and be contracted with, sue and be sued, adopt
 17 bylaws not inconsistent with KRS 56.860 to 56.869, have and use a corporate seal,
 18 and exercise all of the powers granted private corporations generally in KRS
 19 Chapter 271B, except as the same may be inconsistent with KRS 56.860 to 56.869.

20 (5) The selection of bond counsel, senior managing underwriter, or financial advisor to
 21 the commission shall be subject to the provisions of KRS 45A.840 to 45A.879.

22 (6) Notes issued pursuant to KRS 56.860 to 56.869 may be sold on a competitive or
 23 negotiated sale basis.

24 ➔Section 32. KRS 61.8715 is amended to read as follows:

25 The General Assembly finds an essential relationship between the intent of this chapter
 26 and that of KRS 171.410 to 171.740, dealing with the management of public records, and
 27 of Sections 2 to 13 of this Act~~[KRS 11.501 to 11.517]~~, 45.253, 171.420, 186A.040,

186A.285, and 194A.146, dealing with the coordination of strategic planning for computerized information systems in state government; and that to ensure the efficient administration of government and to provide accountability of government activities, public agencies are required to manage and maintain their records according to the requirements of these statutes. The General Assembly further recognizes that while all government agency records are public records for the purpose of their management, not all these records are required to be open to public access, as defined in this chapter, some being exempt under KRS 61.878.

➔ Section 33. KRS 65.7621 is amended to read as follows:

As used in KRS 65.7621 to 65.7643, unless the context requires otherwise:

- (1) "Administrator" means~~[the executive director of the Office of the 911 Coordinator within the Kentucky Office of Homeland Security functioning as]~~ the state administrator of CMRS emergency telecommunications under Section 4 of this Act~~[KRS 11.505]~~;
- (2) "Automatic location identification", or "ALI" means an enhanced 911 service capability that enables the automatic display of information defining the approximate geographic location of the wireless telephone used to place a 911 call and includes the term "pseudo-automatic number identification;"
- (3) "Automatic number identification", or "ANI" means an enhanced 911 service capability that enables the automatic display on an ALI screen of the ten-digit, or equivalent, wireless telephone number used to place a 911 call;
- (4) "CMRS" means commercial mobile radio service under Sections 3(27) and 332(d) of the Federal Telecommunications Act of 1996, 47 U.S.C. secs. 151 et seq., and the Omnibus Budget Reconciliation Act of 1993, as it existed on August 10, 1993. The term includes the term "wireless" and service provided by any wireless real time two-way voice communication device, including radio-telephone communications used in cellular telephone service, personal communications

- 1 service, and the functional or competitive equivalent of a radio-telephone
 2 communications line used in cellular telephone service, a personal communications
 3 service, or a network radio access line;
- 4 (5) "CMRS Board" or "board" means the Commercial Mobile Radio Service
 5 Emergency Telecommunications Board of Kentucky;
- 6 (6) "CMRS connection" means a mobile handset telephone number assigned to a
 7 CMRS customer;
- 8 (7) "CMRS customer" means an end user to whom a mobile handset telephone number
 9 is assigned and to whom CMRS is provided in return for compensation;
- 10 (8) "CMRS Fund" means the commercial mobile radio service emergency
 11 telecommunications fund;
- 12 (9) "CMRS provider" means a person or entity who provides CMRS to an end user.
 13 The term includes both facilities-based resellers and nonfacilities-based resellers;
- 14 (10) "CMRS service charge" means the CMRS emergency telephone service charge
 15 levied under KRS 65.7629(3) and collected under KRS 65.7635;
- 16 (11) "FCC order" means the Order of the Federal Communications Commission, FCC
 17 Docket No. 94-102, adopted effective October 1, 1996, including any subsequent
 18 amendments or modifications thereof;
- 19 (12) "Local exchange carrier" or "LEC" means any person or entity who is authorized to
 20 provide telephone exchange service or exchange access in the Commonwealth;
- 21 (13) "Local government" means any city, county, charter county, or urban-county
 22 government of the Commonwealth, or any other governmental entity maintaining a
 23 PSAP;
- 24 (14) "Mobile telephone handset telephone number" means the ten (10) digit number
 25 assigned to a CMRS connection;
- 26 (15) "Proprietary information" means information held as private property, including
 27 customer lists and other related information, technology descriptions, technical

1 information, or trade secrets;

2 (16) "Pseudo-automatic number identification" means a wireless enhanced 911 service
3 capability that enables the automatic display of the number of the cell site or cell
4 face;

5 (17) "Public safety answering point" or "PSAP" means a communications facility that is
6 assigned the responsibility to receive 911 calls originating in a given area and, as
7 appropriate, to dispatch public safety services or to extend, transfer, or relay 911
8 calls to appropriate public safety agencies;

9 (18) "Service supplier" means a person or entity who provides local exchange telephone
10 service to a telephone subscriber;

11 (19) "Wireless enhanced 911 system," "wireless E911 system," "wireless enhanced 911
12 service," or "wireless E911 service" means an emergency telephone system that
13 provides the end user of the CMRS connection with wireless 911 service and, in
14 addition, directs 911 calls to appropriate public safety answering points based on the
15 geographical location from which the call originated and provides the capability for
16 automatic number identification and automatic location identification features in
17 accordance with the requirements of the FCC order; and

18 (20) " Tier III CMRS provider" means a non-nationwide Commercial Mobile Radio
19 Service provider with no more than five hundred thousand (500,000) subscribers as
20 of December 31, 2001.

21 ➔Section 34. KRS 65.7625 is amended to read as follows:

22 (1) The **CMRS Board shall appoint a**~~executive director of the Office of the 911~~
23 ~~Coordinator shall be the~~ state administrator of commercial mobile radio service
24 emergency telecommunications. The CMRS Board shall set the administrator's
25 compensation, which shall be paid from that portion of the CMRS fund that is
26 authorized under KRS 65.7631(1) to be used by the board for administrative
27 purposes.

1 (2) The administrator of CMRS emergency telecommunications shall serve as a
 2 member of the CMRS Board and, as the coordinator and administrative head of the
 3 board, shall conduct the day-to-day operations of the board.

4 (3) The administrator shall, with the advice of the board, coordinate and direct a
 5 statewide effort to expand and improve enhanced emergency telecommunications
 6 capabilities and responses throughout the state, including but not limited to the
 7 implementation of wireless E911 service requirements of the FCC order and rules
 8 and regulations adopted in carrying out that order. In this regard, the administrator
 9 shall:

10 (a) Obtain, maintain, and disseminate information relating to emergency
 11 telecommunications technology, advances, capabilities, and techniques;

12 (b) Coordinate and assist in the implementation of advancements and new
 13 technology in the operation of emergency telecommunications in the state; and

14 (c) Implement compliance throughout the state with the wireless E911 service
 15 requirements established by the FCC order and any rules or regulations which
 16 are or may be adopted by the Federal Communications Commission in
 17 carrying out the FCC order.

18 ➔Section 35. KRS 65.7631 is amended to read as follows:

19 The moneys in the CMRS fund shall be apportioned among the approved uses of the fund
 20 as specified in this section. The board shall make individual disbursements from the fund
 21 upon such terms and conditions necessary in view of the amount of revenues on deposit at
 22 the time each request for disbursement is reviewed and approved.

23 (1) Not more than two and one-half percent (2.5%) of the total monthly revenues
 24 deposited into the CMRS fund shall be disbursed or reserved for disbursement by
 25 the board to pay the administrative costs and expenses incurred in the operation of
 26 the board, including the compensation of the administrator and expenses incurred
 27 pursuant to KRS~~[-11.512 and]~~ 65.7629(10), (11), (13), (16), (17), and (18). An

1 additional sum, not to exceed two hundred fifty thousand dollars (\$250,000), shall
 2 be available to the board from the fund to implement the wireless workload formula
 3 under subsection (3)(b) of this section.

4 (2) (a) Not more than ten percent (10%) of the total monthly revenues deposited into
 5 the CMRS fund shall be disbursed or reserved for disbursement by the board
 6 to provide direct grants or matching money:

7 1. For the establishment and improvement of E911 services in the
 8 Commonwealth;

9 2. For incentives to create more efficient delivery of E911 services by local
 10 governments receiving funding under subsection (3) of this section;

11 3. For improvement of 911 infrastructure by wireless carriers receiving
 12 funding under subsection (4) of this section; and

13 4. For consolidation reimbursement of one hundred thousand dollars
 14 (\$100,000) per PSAP, not to exceed two hundred thousand dollars
 15 (\$200,000) per county, to any PSAP that consolidates with a CMRS-
 16 certified PSAP, or creates a newly consolidated Phase II compliant
 17 PSAP. Funds shall be applied toward the cost of consolidating. If a
 18 PSAP consolidates and receives reimbursement, the CMRS Board shall
 19 not certify a new PSAP within the same county for a period of ten (10)
 20 years.

21 (b) When the balance of money collected under paragraph (a) of this subsection
 22 and not yet disbursed for direct grants or matching moneys exceeds two
 23 million dollars (\$2,000,000), the excess amount shall be allocated under the
 24 provisions of subsections (3) and (4) of this section.

25 (3) From the balance of the total monthly revenues deposited into the CMRS fund after
 26 the amounts disbursed or reserved for disbursement under subsections (1) and (2) of
 27 this section have been subtracted, eighty percent (80%) shall be distributed to

1 PSAPs eligible to receive disbursement from the CMRS fund under subsection (5)
2 of this section who actually request disbursement, as follows:

3 (a) Forty percent (40%) shall be distributed according to the "PSAP pro rata
4 formula," whereby each receives a percentage determined by dividing one (1)
5 by the total number of PSAPs eligible to request and actually requesting
6 disbursements under subsection (5) of this section. Any PSAPs certified
7 before January 1, 2004, or for more than three (3) years, that choose to
8 consolidate their operations shall continue to receive pro-rata shares as if they
9 remained separate and distinct entities. The consolidated entity must be
10 certified to receive funds under subsection (5) of this section; and

11 (b) Forty (40%) shall be distributed according to a method chosen by the board
12 and based on the wireless workload of the PSAP. Methods to be considered
13 may be based on the number of wireless 911 calls answered by each PSAP,
14 the number of wireless phone users served by each PSAP, or any other method
15 deemed by the board to be reasonable and equitable. The method chosen shall
16 be promulgated as a regulation under KRS 65.7633.

17 All amounts distributed to PSAPs under this subsection shall be used by the PSAPs
18 solely for the purposes of answering, routing, and properly disposing of CMRS 911
19 calls, training PSAP staff, public education concerning appropriate use of 911, and
20 of complying with the wireless E911 service requirements established by the FCC
21 order and any rules and regulations which are or may be adopted by the Federal
22 Communications Commission pursuant to the FCC order, including the payment of
23 costs and expenses incurred in designing, upgrading, purchasing, leasing,
24 programming, testing, installing, or maintaining all necessary data, hardware, and
25 software required in order to provide wireless E911 service.

26 (4) The balance of the total monthly revenues deposited into the CMRS fund which
27 remains after the disbursements or disbursement reservations prescribed by

1 subsections (1), (2), and (3) of this section have been made shall be distributed to
2 CMRS providers licensed to do business in the Commonwealth solely for the
3 purpose of reimbursing the actual expenses incurred by the CMRS providers in
4 complying with the wireless E911 service requirements established by the FCC
5 order and any rules and regulations which are or may be adopted by the Federal
6 Communications Commission in carrying out the FCC order, including but not
7 limited to costs and expenses incurred for designing, upgrading, purchasing,
8 leasing, programming, testing, installing, or maintaining all necessary data,
9 hardware, and software required in order to provide wireless E911 service. Sworn
10 invoices shall be presented to the board in connection with any request for
11 reimbursement under this subsection, and approval by a majority vote of the board
12 shall be required prior to any disbursement, which approval shall not be withheld
13 unreasonably. No payment shall be made to any provider who is not in compliance
14 with all requirements of this chapter and the FCC order. In no event shall any
15 invoice for reimbursement be approved for payment of costs that are not related to
16 compliance with requirements established by the FCC order. If the total amount of
17 invoices submitted to the CMRS Board and approved for payment exceeds the
18 amount in the CMRS fund in any month, CMRS providers that have invoices
19 approved for payment shall receive a pro rata share of the fund available that month,
20 based on approved invoices, and the balance of the payments shall be carried over
21 to the following months until all of the approved payments are made.

22 (5) Notwithstanding any other provision of the law, no PSAP shall be eligible to
23 request or receive a disbursement from the CMRS fund under subsection (3) of this
24 section unless and until the PSAP:

25 (a) Is expressly certified as a PSAP by the CMRS Board, upon written application
26 to the CMRS Board;

27 (b) Demonstrates that the PSAP is providing E911 services to a local government

1 that has adopted an ordinance either imposing a special tax, license, or fee as
 2 authorized by KRS 65.760(3) or has established other means of funding
 3 wireline 911 emergency telephone service;

4 (c) Demonstrates that the administrator of the PSAP sent a request for wireless,
 5 E911 service to a CMRS provider, and that the infrastructure of the local
 6 exchange carrier will support wireless E911 service;

7 (d) Provides an accounting of the number of wireless E911 calls received by the
 8 PSAP during the prior calendar year if requested by the board; and

9 (e) Demonstrates that the PSAP has made the investment which is necessary to
 10 allow the PSAP to receive and utilize the data elements associated with
 11 wireless E911 service.

12 ➔Section 36. KRS 131.020 is amended to read as follows:

13 (1) The Department of Revenue, headed by a commissioner appointed by the secretary
 14 with the approval of the Governor, shall be organized into the following functional
 15 units:

16 (a) Office of the Commissioner of the Department of Revenue, to include the
 17 Division of Special Investigations, headed by a division director who shall
 18 report to the commissioner. The division shall investigate alleged violations
 19 of the tax laws and recommend criminal prosecution of the laws as
 20 warranted;

21 (b) Division of Legislative Services, headed by a division director who shall
 22 report to the commissioner of the Department of Revenue. The division shall
 23 perform such duties as providing support to the commissioner's office;
 24 managing the department's legislative efforts, including developing and
 25 drafting proposed tax legislation, coordinating review of proposed legislation,
 26 and coordinating development of administrative regulations; providing
 27 technical support and research assistance to all areas of the department;

performing studies, surveys, and research projects to assist in policy-making decisions; and performing various miscellaneous duties, including working on special projects and conducting training;

(c) Office of Processing and Enforcement, headed by an executive director who shall report directly to the commissioner. The office shall be responsible for processing documents, depositing funds, collecting debt payments, and coordinating, planning, and implementing a data integrity strategy. The office shall consist of the:

1. Division of Operations, which shall be responsible for opening all tax returns, preparing the returns for data capture, coordinating the data capture process, depositing receipts, maintaining tax data, and assisting other state agencies with similar operational aspects as negotiated between the department and the other agency;
2. Division of Collections, which shall be responsible for initiating all collection enforcement activity related to due and owing tax assessments, including protest resolution, and for assisting other state agencies with similar collection aspects as negotiated between the department and the other state agency; and
3. Division of Registration and Data Integrity, which shall be responsible for registering businesses for tax purposes, ensuring that the data entered into the department's tax systems is accurate and complete, and assisting the taxing areas in proper procedures to ensure the accuracy of the data over time;

~~(d) Office of the Taxpayer Ombudsman. The Office of the Taxpayer Ombudsman shall be headed by an executive director, functioning as the taxpayer ombudsman as established by KRS 131.051(1) and 131.071, who shall report to the commissioner. The functions and duties of the office shall consist of~~

those established by KRS 131.071;

(e)} Office of Property Valuation. The Office of Property Valuation shall be headed by an executive director who shall report directly to the commissioner.

The functions and duties of the office shall include:

1. Mapping;{,}

2. Providing assistance to property valuation administrators;{,}

3. Supervising the property valuation process throughout the Commonwealth;{,}

4. Valuing the property of public service companies;{,}

5. Valuing unmined coal and other mineral resources;{,}

6. Administering personal property taxes;{, and}

7. Collecting delinquent taxes;{. The Office of Property Valuation shall consist of the Divisions of:}

8.{1-} Overseeing{Local Valuation, which shall oversee} the real property tax assessment and collection process throughout the state in each county's property valuation administrator's and sheriff's office;

9.{2-} Administering{State Valuation, which shall administer} all state-assessed taxes, including public service property tax, motor vehicle property tax, and the tangible and intangible tax program; and

10.{3-} Administering{Minerals Taxation and GIS Services, which shall administer} the severance tax and unmined minerals property tax programs and coordinate the department's geographical information system (GIS);

(e){(f)} Office of Sales and Excise Taxes, headed by an executive director who shall report directly to the commissioner. The office shall administer all matters relating to sales and use taxes and miscellaneous excise taxes, including but not limited to technical tax research, compliance, taxpayer

1 assistance, tax-specific training, and publications. The office shall consist of
2 the:

- 3 1. Division of Sales and Use Tax, which shall administer the sales and use
4 tax; and
- 5 2. Division of Miscellaneous Taxes, which shall administer various other
6 taxes, including but not limited to alcoholic beverage taxes; cigarette
7 enforcement fees, stamps, meters, and taxes; gasoline tax; bank
8 franchise tax; inheritance and estate tax; insurance premiums and
9 insurance surcharge taxes; motor vehicle tire fees and usage taxes; and
10 special fuels taxes;

11 ~~(d)(g)~~ Office of Income Taxation, headed by an executive director who shall
12 report directly to the commissioner. The office shall administer all matters
13 related to income and corporation license taxes, including technical tax
14 research, compliance, taxpayer assistance, tax-specific training, and
15 publications. The office shall consist of the:

- 16 1. Division of Individual Income Tax, which shall administer the following
17 taxes or returns: individual income, fiduciary, and employer
18 withholding; and
- 19 2. Division of Corporation Tax, which shall administer the corporation
20 income tax, corporation license tax, pass-through entity withholding,
21 and pass-through entity reporting requirements; and

22 ~~(g)(h)~~ Office of Field Operations, headed by an executive director who shall
23 report directly to the commissioner. The office shall manage the regional
24 taxpayer service centers and the field audit program.

- 25 (2) The functions and duties of the department shall include conducting conferences,
26 administering taxpayer protests, and settling tax controversies on a fair and
27 equitable basis, taking into consideration the hazards of litigation to the

1 Commonwealth of Kentucky and the taxpayer. The mission of the department shall
 2 be to afford an opportunity for taxpayers to have an independent informal review of
 3 the determinations of the audit functions of the department, and to attempt to fairly
 4 and equitably resolve tax controversies at the administrative level.

5 (3) The department shall maintain an accounting structure for the one hundred twenty
 6 (120) property valuation administrators' offices across the Commonwealth in order
 7 to facilitate use of the state payroll system and the budgeting process.

8 (4) Except as provided in KRS 131.190(4), the department shall fully cooperate with
 9 and make tax information available as prescribed under KRS 131.190(2) to the
 10 Governor's Office for Economic Analysis as necessary for the office to perform the
 11 tax administration function established in KRS 42.410.

12 (5) Executive directors and division directors established under this section shall be
 13 appointed by the secretary with the approval of the Governor.

14 ➔Section 37. KRS 131.051 is amended to read as follows:

15 As used in KRS 131.041 to 131.081, unless the context requires otherwise:

16 ~~{(1) "Taxpayer ombudsman" means the person appointed by the commissioner of~~
 17 ~~revenue to carry out the administrative functions and responsibilities relating to the~~
 18 ~~Office of the Taxpayer Ombudsman created pursuant to KRS 131.071.~~

19 ~~(2) }~~"Taxpayer representative" means any attorney, tax practitioner, or other person
 20 designated by a taxpayer to represent him before the department in any matter relating to
 21 taxes administered by the department.

22 ➔Section 38. KRS 131.435 is amended to read as follows:

23 For purposes of accounting for the revenues received pursuant to KRS 131.410 to
 24 131.445, the department~~[cabinet]~~ shall establish within the general fund a separate and
 25 distinct tax amnesty receipt account. All receipts collected as a result of the amnesty
 26 program shall be paid into this account, and all transactions involving this account shall
 27 be accounted for and reported as such.

1 ➔Section 39. KRS 131.654 is amended to read as follows:

- 2 (1) At least sixty (60) days before publishing the name of a delinquent taxpayer, the
 3 department~~[cabinet]~~ shall mail a written notice to the taxpayer, detailing the
 4 amount and nature of each liability and the intended publication of the information
 5 listed in KRS 131.656 related to the liability. The notice shall be mailed by first
 6 class mail addressed to the last known address of the taxpayer. The notice shall
 7 include information regarding the exceptions listed in KRS 131.652 and shall state
 8 that the taxpayer's information will not be published if the taxpayer pays the
 9 delinquent obligation, enters into an agreement to pay, or provides information
 10 establishing that KRS 131.652 prohibits publication of the taxpayer's name.
- 11 (2) After at least sixty (60) days have elapsed since the notice was mailed and the
 12 delinquent tax or fee has not been paid and the taxpayer has not proved to the
 13 department~~[cabinet]~~ that KRS 131.652 prohibits publication, the
 14 department~~[cabinet]~~ may publish in a list of delinquent taxpayers the information
 15 about the taxpayer that is listed in KRS 131.656.

16 ➔Section 40. KRS 139.515 is amended to read as follows:

- 17 (1) As used in this section:
- 18 (a) "Agency" has the same meaning as in KRS 154.30-010;
- 19 (b) "Signature project" means a project that meets the requirements established by
 20 KRS 154.30-050; and
- 21 (c) "Tangible personal property used in the construction of a signature project"
 22 means tangible personal property that:
- 23 1. Consists of:
- 24 a. Permanently incorporated building materials and fixtures that are
 25 an improvement to real property on the signature project;
- 26 b. Building materials temporarily incorporated into the signature
 27 project for infrastructure support during construction; or

- 1 c. Temporarily incorporated specialized forms for concrete that are
2 for exclusive use on the qualifying signature project; and
- 3 2. Is not machinery or equipment.
- 4 (2) (a) Notwithstanding any other provision of KRS Chapter 139 and KRS 134.580,
5 the sales or use tax paid on the purchase of tangible personal property used in
6 the construction of the portion of a signature project that does not relate to
7 approved public infrastructure costs or approved signature project costs, as
8 defined in KRS 154.30-010, may be refunded to the agency under the
9 conditions established by subsection (3) of this section.
- 10 (b) The authority, as defined in KRS 154.30-010, shall notify the department
11 upon the approval of a signature project. The notification shall include the
12 name of the signature project, the name of the agency, the name of the project
13 developer, the commencement date of the tax incentive agreement, and the
14 percentage of total anticipated expenditures for tangible personal property
15 used in the construction of a signature project that are not included in the
16 project grant agreement as approved public infrastructure costs or approved
17 signature project costs.
- 18 (c) The department shall determine the total amount of eligible refund due under
19 each application for refund based upon the actual percentage of total
20 expenditures for tangible personal property used in the construction of a
21 signature project that are not included in the project grant agreement as
22 approved public infrastructure costs reported in the refund request reduced by
23 the amount of vendor compensation taken in accordance with KRS 139.570.
- 24 (3) To qualify for the refund established by subsection (2) of this section, the agency
25 shall collect from the purchasers of tangible personal property used in the
26 construction of the signature project all documentation relating to the payment of
27 sales or use tax, and shall file an application for refund of the sales or use tax paid

by the purchasers as reflected in the documentation collected. Requests for refund shall be filed annually during the first twelve (12) years the project grant agreement is in effect, and shall cover purchases made during the immediately preceding year. Requests for refund shall be filed in the manner directed by the department~~cabinet~~.

(4) (a) The agency shall file the first year refund request within sixty (60) days following the end of the fiscal year in which the project grant agreement is executed. The agency shall file the final refund request within sixty (60) days following the end of the eleventh fiscal year following the fiscal year in which the project grant agreement was executed, or within sixty (60) days after construction is complete, whichever date is earlier. All other annual refund requests shall be filed within sixty (60) days after the completion of each fiscal year.

(b) Failure to file a refund request within the timeframes provided in paragraph (a) of this subsection shall result in an adjustment to the refund amount paid as follows:

1. For late refund requests filed within the first one hundred twenty (120) days after the request was due, for each month or portion thereof that the refund request is late, the refund amount shall be reduced by one twelfth (1/12) of the total amount determined by the department to be due to the agency.
2. Any refund request filed more than one hundred twenty (120) days after the timeframes provided in paragraph (a) of this subsection shall be rejected and no refunds shall be paid for the time period covered by the request.

(5) Interest shall not be allowed or paid on any refund made under the provisions of this section.

1 (6) The agency shall execute information sharing agreements prescribed by the
 2 department with contractors, vendors, and other related parties to verify
 3 construction material costs.

4 ➔Section 41. KRS 143A.090 is amended to read as follows:

5 (1) The department~~[cabinet]~~ may upon written request received on or prior to the due
 6 date of the return or tax, for good cause satisfactory to the department~~[cabinet]~~,
 7 extend the time for filing the return or paying the tax for a period not exceeding
 8 thirty (30) days.

9 (2) Any taxpayer to whom an extension is granted and who pays the tax within the
 10 period for which the extension is granted shall pay, in addition to the tax, interest at
 11 the tax interest rate as defined in KRS 131.010(6) from the date on which the tax
 12 would otherwise have been due.

13 ➔Section 42. KRS 151.710 is amended to read as follows:

14 (1) The Governor shall appoint members to the Kentucky River Authority, created to
 15 carry out the essential public purpose of protecting the health and welfare of the
 16 people of the Commonwealth as declared in KRS 151.700.

17 (2) The Governor shall appoint the secretaries of the Finance and Administration
 18 Cabinet and the Environmental and Public Protection Cabinet and ten (10) other
 19 persons as the members of the authority. The secretaries may designate alternates.
 20 Of the ten (10) persons, one (1) shall be a registered engineer, one (1) an expert in
 21 water quality, one (1) a mayor, and one (1) a county judge/executive. The mayor
 22 and the county judge/executive shall be officers from counties which obtain the
 23 major portion of their water supply from the Kentucky River. Five (5) members
 24 shall reside in a county adjacent to the main stem of the Kentucky River, one (1) of
 25 the five (5) members residing in counties adjacent to locks and dams one (1)
 26 through four (4); and one (1) member shall reside in a county adjacent to either the
 27 North Fork, Middle Fork, or South Fork of the Kentucky River. Of the twelve (12)

1 members, only one (1) may be an employee of the Environmental and Public
2 Protection Cabinet.

3 (3) Of the ten (10) members first appointed, two (2) shall continue in office for terms of
4 one (1) year, two (2) for terms of two (2) years, three (3) for terms of three (3) years,
5 and three (3) for terms of four (4) years, as the Governor designates. At the
6 expiration of the original terms and for all succeeding terms, the Governor shall
7 appoint a successor to the authority for a term of four (4) years in each case.
8 Members may be reappointed. A vacancy in an unexpired term shall be filled for the
9 unexpired portion of the term in the same manner as the original appointment to
10 that term. Any member whose term has expired may continue to serve and vote
11 until his or her successor is appointed and qualified.

12 (4) Each member shall receive as compensation one hundred dollars (\$100) per day for
13 attending a meeting of the authority.

14 (5) Any member who misses three (3) consecutive meetings of the authority shall be
15 deemed to have vacated the office. The authority shall declare the office vacant and
16 the office shall be filled as provided by subsections (2) and (3) of this section.

17 (6) The authority annually shall elect one (1) of its members as chairman. A quorum for
18 the transaction of business shall be seven (7)~~six (6)~~ members, and a majority of
19 the members present at a meeting may take action on any matter legally before the
20 authority.

21 (7) Members shall be paid their necessary travel expenses incurred in attending
22 meetings and in the performance of their official duties, in addition to the per diem
23 compensation of one hundred dollars (\$100).

24 (8) The authority shall meet at least quarterly, and may meet upon the call of the
25 chairman.

26 (9) The chairman shall be paid necessary travel expenses and a one hundred dollar
27 (\$100) per diem compensation for conducting official business of the authority.

1 (10) The authority shall be attached for administrative purposes to the Finance and
 2 Administration Cabinet, and the cabinet shall provide the necessary personnel to
 3 provide administrative services for the authority.

4 (11) The necessary travel expenses and per diem compensation of the members of the
 5 authority in attending meetings and in the performance of their official duties shall
 6 be paid by the authority.

7 (12) The authority shall promulgate administrative regulations necessary to carry out its
 8 duties, and shall report annually to the Governor and the Legislative Research
 9 Commission.

10 ➔Section 43. KRS 164.6903 is amended to read as follows:

11 As used in KRS 164.6901 to 164.6935, unless the context requires otherwise:

12 (1) "Agency contract" means an agreement in which a student-athlete authorizes a
 13 person to negotiate or solicit on behalf of the student-athlete a professional-sports-
 14 services contract or an endorsement contract;

15 (2) "Athlete agent" means an individual who enters into an agency contract with a
 16 student-athlete or, directly or indirectly, recruits or solicits a student-athlete to enter
 17 into an agency contract. The term includes an individual who represents to the
 18 public that the individual is an athlete agent. The term does not include a spouse,
 19 parent, sibling, grandparent, or guardian of the student-athlete or an individual
 20 acting solely on behalf of a professional sports team or professional sports
 21 organization;

22 (3) "Athletic director" means an individual responsible for administering the overall
 23 athletic program of an educational institution or, if an educational institution has
 24 separately administered athletic programs for male and female students, the athletic
 25 program for males or the athletic program for females, as appropriate;

26 (4) "Contact" means a communication, direct or indirect, between an athlete agent and a
 27 student-athlete, to recruit or solicit the student-athlete to enter into an agency

1 contract;

2 (5) "Division" means the Division of Occupations and Professions in the
3 **Environmental and Public Protection**~~[Finance and Administration]~~ Cabinet;

4 (6) "Endorsement contract" means an agreement under which a student-athlete is
5 employed or receives consideration to use on behalf of the other party any value that
6 the student-athlete may have because of publicity, reputation, following, or fame
7 obtained because of athletic ability or performance;

8 (7) "Intercollegiate sport" means a sport played at the collegiate level for which
9 eligibility requirements for participation by a student-athlete are established by a
10 national association for the promotion or regulation of collegiate athletics;

11 (8) "Person" means an individual, corporation, business trust, estate, trust, partnership,
12 limited liability company, association, joint venture, or government; governmental
13 subdivision, agency, or instrumentality; public corporation, or any other legal or
14 commercial entity;

15 (9) "Professional-sports-services contract" means an agreement under which an
16 individual is employed, or agrees to render services, as a player on a professional
17 sports team, with a professional sports organization, or as a professional athlete;

18 (10) "Record" means information that is inscribed on a tangible medium or that is stored
19 in an electronic or other medium and is retrievable in perceivable form;

20 (11) "Registration" means registration as an athlete agent pursuant to KRS 164.6901 to
21 164.6935;

22 (12) "State" means a state of the United States, the District of Columbia, Puerto Rico,
23 the United States Virgin Islands, or any territory or insular possession subject to the
24 jurisdiction of the United States; and

25 (13) "Student-athlete" means an individual who engages in, is eligible to engage in, or
26 may be eligible in the future to engage in, any intercollegiate sport. If an individual
27 is permanently ineligible to participate in a particular intercollegiate sport, the

1 individual is not a student-athlete for purposes of that sport.

2 ➔Section 44. KRS 165A.340 is amended to read as follows:

3 (1) There is hereby established a State Board for Proprietary Education which shall be
 4 attached to the Environmental and Public Protection Cabinet~~[for Finance and~~
 5 ~~Administration, Office of Administrative Services]~~, Division of Occupations and
 6 Professions and shall consist of eleven (11) voting members to be appointed by the
 7 Governor as follows:

8 (a) Three (3) members representative of privately owned educational institutions
 9 appointed from a list of seven (7) names submitted by the Kentucky
 10 Association of Career Colleges and Schools;

11 (b) Three (3) members representative of technical schools appointed from a list of
 12 seven (7) names submitted by the Kentucky Association of Career Colleges
 13 and Schools; and

14 (c) Five (5) members representative of the public at large.

15 (2) The term of each member shall be four (4) years or until a successor is appointed. If
 16 a vacancy occurs on the board, a new member shall be appointed to serve the
 17 remainder of the unexpired term.

18 (3) The director of the Division of Occupations and Professions in the Environmental
 19 and Public Protection~~[Finance and Administration]~~ Cabinet shall serve as
 20 executive director of the board. Members of the board shall annually elect one (1) of
 21 their number as chairman. The board may make all rules and regulations, including
 22 the establishment of fees and other charges consistent with the provisions of this
 23 chapter, as may be necessary to carry out the provisions and purposes of this
 24 chapter.

25 (4) The board shall hold meetings at least four (4) times a year and as frequently as it
 26 deems necessary at the times and places as the board may designate and the majority
 27 of the members shall constitute a quorum.

- 1 (5) The board may sue and be sued in its own name.
- 2 (6) The members of the board shall receive one hundred dollars (\$100) per day for each
- 3 meeting attended and may be paid their travel and other expenses while employed
- 4 upon the business of the board.
- 5 (7) The board shall administer the provisions of law pertaining to the conduct,
- 6 operation, maintenance, and establishment of proprietary education institutions, and
- 7 the activities of agents thereof when acting as such.
- 8 (8) The board shall have the power to subpoena witnesses and school records as it
- 9 deems necessary.

10 ➔Section 45. KRS 174.020 is amended to read as follows:

- 11 (1) The Transportation Cabinet shall consist of the following major organizational
- 12 units:
- 13 (a) The Office of the Secretary, which shall include, but not be limited to:
- 14 1. The secretary to be appointed by the Governor under KRS 12.255; and
- 15 2. The deputy secretary appointed under KRS 12.040;
- 16 (b) The Department of Highways, headed by a commissioner, appointed by the
- 17 Governor under KRS 12.040 on the recommendation of the secretary;
- 18 (c) The Department of Vehicle Regulation, headed by a commissioner, appointed
- 19 by the secretary with the approval of the Governor, under KRS 12.040;
- 20 (d) The Department of Intergovernmental Programs, headed by a commissioner
- 21 appointed by the Governor under KRS 12.040;
- 22 (e) The Department of Aviation, headed by a commissioner appointed by the
- 23 Governor under KRS 12.040. The Kentucky Airport Zoning Commission
- 24 established by KRS 183.861 shall be attached to the Department of Aviation
- 25 for administrative purposes;
- 26 (f) The Department of Administrative Services, headed by a commissioner
- 27 appointed by the Governor under KRS 12.040;

1 (g) The following offices, which shall be attached to the Office of the Secretary:

- 2 1. The Office of Public Affairs, headed by an executive director appointed
- 3 under KRS 12.040;
- 4 2. The Office of Budget and Fiscal Management, headed by an executive
- 5 director appointed under KRS 12.040;
- 6 3. The Office of Transportation Delivery, headed by an executive director
- 7 appointed under KRS 12.040;
- 8 4. The Office of Legislative and Intergovernmental Affairs, headed by an
- 9 executive director appointed under KRS 12.040;
- 10 5. The Office for Business and Occupational Development, headed by an
- 11 executive director appointed under KRS 12.040;
- 12 6. The Office of Legal Services, headed by an executive director appointed
- 13 under KRS 12.040;
- 14 7. The Office of Inspector General, headed by an executive director
- 15 appointed under KRS 12.040;
- 16 8. The Office of Transportation Operations Center, headed by an executive
- 17 director appointed under KRS 12.040; and
- 18 9. The Office of Personnel Management, headed by an executive director
- 19 appointed under KRS 12.040;

20 (h) The following offices, which shall be attached to the Department of
21 Highways:

- 22 1. The Office of Program Planning and Management, headed by an
- 23 executive director appointed under KRS 12.040, who shall be a
- 24 registered professional engineer under KRS Chapter 322, and known as
- 25 the deputy state highway engineer for program planning and
- 26 management;
- 27 2. The Office of Project Development, headed by an executive director

1 appointed under KRS 12.040, who shall be a registered professional
 2 engineer under KRS Chapter 322, and who shall be known as the deputy
 3 state highway engineer for project development;

4 3. The Office of Construction and Operations, headed by an executive
 5 director appointed under KRS 12.040, who shall be a registered
 6 professional engineer under KRS Chapter 322, and who shall be known
 7 as the deputy state highway engineer for construction and operations;

8 4. The Office of Intermodal Programs, headed by an executive director
 9 appointed under KRS 12.040, who shall be a registered professional
 10 engineer under KRS Chapter 322, and who shall be known as the deputy
 11 state highway engineer for intermodal programs; and

12 5. Highway District Offices One through Twelve, each district office to be
 13 headed by a chief highway district engineer, appointed by the secretary
 14 upon the recommendation of the commissioner and the state highway
 15 engineer, with the approval of the Governor; and

16 (i) The following offices, which shall be attached to the Department of
 17 Intergovernmental Programs:

18 1. Office of Transportation Enhancement Programs, headed by an
 19 executive director appointed under KRS 12.040; and

20 2. Office of Rural and Secondary Roads, headed by an executive director
 21 appointed under KRS 12.040.

22 (2) The positions of director in the ~~the [Division of Fleet Management,]~~ Division of
 23 Professional Services~~[-]~~ and Division of Environmental Analysis are policy-making
 24 positions under KRS 18A.175.

25 ➔Section 46. KRS 198A.030 is amended to read as follows:

26 (1) There is hereby created and established an independent, de jure municipal
 27 corporation and political subdivision of the Commonwealth which shall be a public

1 body corporate and politic to be known as the Kentucky Housing Corporation.

2 (2) The Kentucky Housing Corporation is created and established as a de jure
3 municipal corporation and political subdivision of the Commonwealth to perform
4 essential governmental and public functions and purposes in improving and
5 otherwise promoting the health and general welfare of the people by the production
6 of residential housing in Kentucky.

7 (3) The corporation shall be governed by a board of directors, consisting of fifteen
8 (15)~~[thirteen (13)]~~ members, five (5) of whom shall be the Lieutenant Governor, the
9 secretary of the Finance and Administration Cabinet, the commissioner of the
10 Governor's Office for Local Development, the Attorney General, and the secretary
11 of the Cabinet for Economic Development, or their duly appointed designees, as
12 public directors, and ten (10)~~[eight (8)]~~ private directors who shall be appointed by
13 the Governor, subject to confirmation by the Senate as provided by KRS 11.160, as
14 follows:

15 (a) One (1) private director representing the interests of financial lending
16 institutions located within the Commonwealth;

17 (b) One (1) private director representing the interests of the manufactured housing
18 industry within the Commonwealth;

19 (c) One (1) private director representing the interests of real estate practitioners
20 licensed by the Kentucky Real Estate Commission;

21 (d) One (1) private director representing the interests of the homeless population
22 within the Commonwealth;

23 (e) One (1) private director representing the interests of local government;

24 (f) One (1) private director representing the interests of the home construction
25 industry in the Commonwealth;

26 (g) One (1) private director representing the interests of consumers in the
27 Commonwealth;~~[and]~~

1 (h) One (1) private director representing the interests of the Kentucky State
2 Building Trades Council;

3 (i) One (1) director representing the interest of nonprofit housing
4 organizations located within the Commonwealth; and

5 (j) One (1) director having significant professional experience in auditing,
6 financial accounting, municipal bond financing, or investment banking.

7 (4) Private directors appointed by the Governor may include previous members of the
8 board, and members may be reappointed for successive terms. All appointments
9 shall be for four (4) years, and the appointees shall serve until a qualified successor
10 is appointed.

11 (5) In case of a vacancy, the Governor may appoint a person for the vacancy to hold
12 office during the remainder of the term. A vacancy shall be filled in accordance
13 with the requirement and procedures for appointments.

14 (6) The Governor may remove any private director whom he may appoint in case of
15 incompetency, neglect of duty, gross immorality, or malfeasance in office, and he
16 may declare his office vacant and may appoint a person for the vacancy as provided
17 in this section.

18 (7) The Governor shall designate a director of the corporation to serve as chairman. The
19 term of the chairman shall extend to the earlier of either the date of expiration of his
20 then current term as a director of the corporation or a date six (6) months after the
21 expiration of the then current term of the Governor designating the chairman.

22 (8) The board of directors shall annually elect one (1) of its members as vice chairman.
23 The board of directors shall also elect or appoint, and prescribe the duties of, other
24 officers the board of directors deems necessary or advisable, including an executive
25 director and a secretary, and the board of directors shall fix the compensation of the
26 officers.

27 (9) The executive director shall administer, manage, and direct the affairs and business

1 of the corporation, subject to the policies, control, and direction of the board of
 2 directors of the corporation. The secretary of the corporation shall keep a record of
 3 the proceedings of the corporation and shall be custodian of all books, documents,
 4 and papers filed with the corporation, the minute book or journal of the corporation,
 5 and its official seal. The secretary shall have authority to cause copies to be made of
 6 all minutes and other records and documents of the corporation and to give
 7 certificates under the official seal of the corporation to the effect that copies are true
 8 copies, and all persons dealing with the corporation may rely upon the certificates.

9 (10) A majority of the board of directors of the corporation shall constitute a quorum for
 10 the purposes of conducting its business and exercising its powers and for all other
 11 purposes. A majority shall be determined by excluding any existing vacancies from
 12 the total number of directors.

13 (11) Action shall be taken by the corporation upon a vote of a majority of the directors
 14 present at a meeting at which a quorum shall exist called upon three (3) days'
 15 written notice to each director or upon the concurrence of at least eight (8) directors.

16 (12) Each private director shall be entitled to a fee of one hundred dollars (\$100) for
 17 attendance at each meeting of the board of directors or duly called committee
 18 meeting of the board.

19 ➔Section 47. KRS 216A.045 is amended to read as follows:

20 The Kentucky Board of Licensure for Nursing Home Administrators is hereby transferred
 21 from the Cabinet for Human Resources to the division of occupations and professions in
 22 the **Environmental and Public Protection**~~[Finance and Administration]~~ Cabinet.

23 ➔Section 48. KRS 218A.010 is amended to read as follows:

24 As used in this chapter:

25 (1) "Administer" means the direct application of a controlled substance, whether by
 26 injection, inhalation, ingestion, or any other means, to the body of a patient or
 27 research subject by:

- 1 (a) A practitioner or by his authorized agent under his immediate supervision and
2 pursuant to his order; or
- 3 (b) The patient or research subject at the direction and in the presence of the
4 practitioner;
- 5 (2) "Anabolic steroid" means any drug or hormonal substance chemically and
6 pharmacologically related to testosterone that promotes muscle growth and includes
7 those substances listed in KRS 218A.090(5) but does not include estrogens,
8 progestins, and anticosteroids;
- 9 (3) "Cabinet" means the Cabinet for Health and Family Services;
- 10 (4) "Child" means any person under the age of majority as specified in KRS 2.015;
- 11 (5) "Controlled substance" means methamphetamine, or a drug, substance, or
12 immediate precursor in Schedules I through V and includes a controlled substance
13 analogue;
- 14 (6) (a) "Controlled substance analogue," except as provided in subparagraph (b) of
15 this subsection, means a substance:
- 16 1. The chemical structure of which is substantially similar to the structure
17 of a controlled substance in Schedule I or II; and
- 18 2. Which has a stimulant, depressant, or hallucinogenic effect on the
19 central nervous system that is substantially similar to or greater than the
20 stimulant, depressant, or hallucinogenic effect on the central nervous
21 system of a controlled substance in Schedule I or II; or
- 22 3. With respect to a particular person, which such person represents or
23 intends to have a stimulant, depressant, or hallucinogenic effect on the
24 central nervous system that is substantially similar to or greater than the
25 stimulant, depressant, or hallucinogenic effect on the central nervous
26 system of a controlled substance in Schedule I or II.
- 27 (b) Such term does not include:

- 1 1. Any substance for which there is an approved new drug application;
- 2 2. With respect to a particular person, any substance if an exemption is in
- 3 effect for investigational use for that person pursuant to federal law to
- 4 the extent conduct with respect to such substance is pursuant to such
- 5 exemption; or
- 6 3. Any substance to the extent not intended for human consumption before
- 7 the exemption described in subparagraph 2. of this paragraph takes
- 8 effect with respect to that substance;
- 9 (7) "Counterfeit substance" means a controlled substance which, or the container or
- 10 labeling of which, without authorization, bears the trademark, trade name, or other
- 11 identifying mark, imprint, number, or device, or any likeness thereof, of a
- 12 manufacturer, distributor, or dispenser other than the person who in fact
- 13 manufactured, distributed, or dispensed the substance;
- 14 (8) "Dispense" means to deliver a controlled substance to an ultimate user or research
- 15 subject by or pursuant to the lawful order of a practitioner, including the packaging,
- 16 labeling, or compounding necessary to prepare the substance for that delivery;
- 17 (9) "Dispenser" means a person who lawfully dispenses a Schedule II, III, IV, or V
- 18 controlled substance to or for the use of an ultimate user;
- 19 (10) "Distribute" means to deliver other than by administering or dispensing a controlled
- 20 substance;
- 21 (11) "Drug" means:
- 22 (a) Substances recognized as drugs in the official United States Pharmacopoeia,
- 23 official Homeopathic Pharmacopoeia of the United States, or official National
- 24 Formulary, or any supplement to any of them;
- 25 (b) Substances intended for use in the diagnosis, care, mitigation, treatment, or
- 26 prevention of disease in man or animals;
- 27 (c) Substances (other than food) intended to affect the structure or any function of

1 the body of man or animals; and

2 (d) Substances intended for use as a component of any article specified in this
3 subsection.

4 It does not include devices or their components, parts, or accessories;

5 (12) "Good faith prior examination," as used in KRS Chapter 218A and for criminal
6 prosecution only, means an in-person medical examination of the patient conducted
7 by the prescribing practitioner or other health-care professional routinely relied
8 upon in the ordinary course of his or her practice, at which time the patient is
9 physically examined and a medical history of the patient is obtained. "In-person"
10 includes telehealth examinations~~[authorized under KRS 11.550 or any other~~
11 ~~substantially similar program instituted pursuant to KRS 11.550]~~. This subsection
12 shall not be applicable to hospice providers licensed pursuant to KRS Chapter
13 216B;

14 (13) "Hazardous chemical substance" includes any chemical substance used or intended
15 for use in the illegal manufacture of a controlled substance as defined in this section
16 or the illegal manufacture of methamphetamine as defined in KRS 218A.1431,
17 which:

18 (a) Poses an explosion hazard;

19 (b) Poses a fire hazard; or

20 (c) Is poisonous or injurious if handled, swallowed, or inhaled;

21 (14) "Immediate precursor" means a substance which is the principal compound
22 commonly used or produced primarily for use, and which is an immediate chemical
23 intermediary used or likely to be used in the manufacture of a controlled substance
24 or methamphetamine, the control of which is necessary to prevent, curtail, or limit
25 manufacture;

26 (15) "Intent to manufacture" means any evidence which demonstrates a person's
27 conscious objective to manufacture a controlled substance or methamphetamine.

1 Such evidence includes but is not limited to statements and a chemical substance's
2 usage, quantity, manner of storage, or proximity to other chemical substances or
3 equipment used to manufacture a controlled substance or methamphetamine;

4 (16) "Isomer" means the optical isomer, except as used in KRS 218A.050(3) and
5 218A.070(1)(d). As used in KRS 218A.050(3), the term "isomer" means the optical,
6 positional, or geometric isomer. As used in KRS 218A.070(1)(d), the term "isomer"
7 means the optical or geometric isomer;

8 (17) "Manufacture," except as provided in KRS 218A.1431, means the production,
9 preparation, propagation, compounding, conversion, or processing of a controlled
10 substance, either directly or indirectly by extraction from substances of natural
11 origin or independently by means of chemical synthesis, or by a combination of
12 extraction and chemical synthesis, and includes any packaging or repackaging of the
13 substance or labeling or relabeling of its container except that this term does not
14 include activities:

15 (a) By a practitioner as an incident to his administering or dispensing of a
16 controlled substance in the course of his professional practice;

17 (b) By a practitioner, or by his authorized agent under his supervision, for the
18 purpose of, or as an incident to, research, teaching, or chemical analysis and
19 not for sale; or

20 (c) By a pharmacist as an incident to his dispensing of a controlled substance in
21 the course of his professional practice;

22 (18) "Marijuana" means all parts of the plant *Cannabis* sp., whether growing or not; the
23 seeds thereof; the resin extracted from any part of the plant; and every compound,
24 manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin
25 or any compound, mixture, or preparation which contains any quantity of these
26 substances;

27 (19) "Medical history," as used in KRS Chapter 218A and for criminal prosecution only,

1 means an accounting of a patient's medical background, including but not limited to
2 prior medical conditions, prescriptions, and family background;

3 (20) "Medical order," as used in KRS Chapter 218A and for criminal prosecution only,
4 means a lawful order of a specifically identified practitioner for a specifically
5 identified patient for the patient's health-care needs. "Medical order" may or may
6 not include a prescription drug order;

7 (21) "Medical record," as used in KRS Chapter 218A and for criminal prosecution only,
8 means a record, other than for financial or billing purposes, relating to a patient,
9 kept by a practitioner as a result of the practitioner-patient relationship;

10 (22) "Methamphetamine" means any substance that contains any quantity of
11 methamphetamine, or any of its salts, isomers, or salts of isomers;

12 (23) "Narcotic drug" means any of the following, whether produced directly or indirectly
13 by extraction from substances of vegetable origin, or independently by means of
14 chemical synthesis, or by a combination of extraction and chemical synthesis:

15 (a) Opium and opiate, and any salt, compound, derivative, or preparation of
16 opium or opiate;

17 (b) Any salt, compound, isomer, derivative, or preparation thereof which is
18 chemically equivalent or identical with any of the substances referred to in
19 paragraph (a) of this subsection, but not including the isoquinoline alkaloids
20 of opium;

21 (c) Opium poppy and poppy straw;

22 (d) Coca leaves, except coca leaves and extracts of coca leaves from which
23 cocaine, ecgonine, and derivatives of ecgonine or their salts have been
24 removed;

25 (e) Cocaine, its salts, optical and geometric isomers, and salts of isomers;

26 (f) Ecgonine, its derivatives, their salts, isomers, and salts of isomers; and

27 (g) Any compound, mixture, or preparation which contains any quantity of any of

1 the substances referred to in paragraphs (a) to (f) of this subsection;

2 (24) "Opiate" means any substance having an addiction-forming or addiction-sustaining
3 liability similar to morphine or being capable of conversion into a drug having
4 addiction-forming or addiction-sustaining liability. It does not include, unless
5 specifically designated as controlled under KRS 218A.030, the dextrorotatory
6 isomer of 3-methoxy-n-methylmorphinan and its salts (dextromethorphan). It does.
7 include its racemic and levorotatory forms;

8 (25) "Opium poppy" means the plant of the species *papaver somniferum* L., except its
9 seeds;

10 (26) "Person" means individual, corporation, government or governmental subdivision
11 or agency, business trust, estate, trust, partnership or association, or any other legal
12 entity;

13 (27) "Physical injury" has the same meaning it has in KRS 500.080;

14 (28) "Poppy straw" means all parts, except the seeds, of the opium poppy, after mowing;

15 (29) "Pharmacist" means a natural person licensed by this state to engage in the practice
16 of the profession of pharmacy;

17 (30) "Practitioner" means a physician, dentist, podiatrist, veterinarian, scientific
18 investigator, optometrist as authorized in KRS 320.240, advanced registered nurse
19 practitioner as authorized under KRS 314.011, or other person licensed, registered,
20 or otherwise permitted by state or federal law to acquire, distribute, dispense,
21 conduct research with respect to, or to administer a controlled substance in the
22 course of professional practice or research in this state. "Practitioner" also includes
23 a physician, dentist, podiatrist, veterinarian, or advanced registered nurse
24 practitioner authorized under KRS 314.011 who is a resident of and actively
25 practicing in a state other than Kentucky and who is licensed and has prescriptive
26 authority for controlled substances under the professional licensing laws of another
27 state, unless the person's Kentucky license has been revoked, suspended, restricted,

- 1 or probated, in which case the terms of the Kentucky license shall prevail;
- 2 (31) "Practitioner-patient relationship," as used in KRS Chapter 218A and for criminal
3 prosecution only, means a medical relationship that exists between a patient and a
4 practitioner or the practitioner's designee, after the practitioner or his designee has
5 conducted at least one (1) good faith prior examination;
- 6 (32) "Prescription" means a written, electronic, or oral order for a drug or medicine, or
7 combination or mixture of drugs or medicines, or proprietary preparation, signed or
8 given or authorized by a medical, dental, chiropractic, veterinarian, optometric
9 practitioner, or advanced registered nurse practitioner, and intended for use in the
10 diagnosis, cure, mitigation, treatment, or prevention of disease in man or other
11 animals;
- 12 (33) "Prescription blank," with reference to a controlled substance, means a document
13 that meets the requirements of KRS 218A.204 and 217.216;
- 14 (34) "Production" includes the manufacture, planting, cultivation, growing, or harvesting
15 of a controlled substance;
- 16 (35) "Second or subsequent offense" means that for the purposes of this chapter an
17 offense is considered as a second or subsequent offense, if, prior to his conviction of
18 the offense, the offender has at any time been convicted under this chapter, or under
19 any statute of the United States, or of any state relating to substances classified as
20 controlled substances or counterfeit substances, except that a prior conviction for a
21 nontrafficking offense shall be treated as a prior offense only when the subsequent
22 offense is a nontrafficking offense. For the purposes of this section, a conviction
23 voided under KRS 218A.275 or 218A.276 shall not constitute a conviction under
24 this chapter;
- 25 (36) "Sell" means to dispose of a controlled substance to another person for
26 consideration or in furtherance of commercial distribution;
- 27 (37) "Serious physical injury" has the same meaning it has in KRS 500.080;

- 1 (38) "Telehealth" has the same meaning it has in KRS 311.550;
- 2 (39) "Tetrahydrocannabinols" means synthetic equivalents of the substances contained in
 3 the plant, or in the resinous extractives of the plant Cannabis, sp. or synthetic
 4 substances, derivatives, and their isomers with similar chemical structure and
 5 pharmacological activity such as the following:
- 6 1. Delta 1 cis or trans tetrahydrocannabinol, and their optical isomers;
 - 7 2. Delta 6 cis or trans tetrahydrocannabinol, and their optical isomers; and
 - 8 3. Delta 3, 4 cis or trans tetrahydrocannabinol, and its optical isomers;
- 9 (40) "Traffic," except as provided in KRS 218A.1431, means to manufacture, distribute,
 10 dispense, sell, transfer, or possess with intent to manufacture, distribute, dispense,
 11 or sell a controlled substance;
- 12 (41) "Transfer" means to dispose of a controlled substance to another person without
 13 consideration and not in furtherance of commercial distribution; and
- 14 (42) "Ultimate user" means a person who lawfully possesses a controlled substance for
 15 his own use or for the use of a member of his household or for administering to an
 16 animal owned by him or by a member of his household.

17 ➔Section 49. KRS 224A.030 is amended to read as follows:

- 18 (1) There is hereby created the Kentucky Infrastructure Authority, which authority shall
 19 be a body corporate and politic, constituting a public corporation and a
 20 governmental agency and instrumentality of the state.~~[All powers, duties, and~~
 21 ~~obligations of the Kentucky Pollution Abatement and Water Resources Finance~~
 22 ~~Authority shall be transferred March 31, 1988, to the Kentucky Infrastructure~~
 23 ~~Authority.]~~ The affairs of the authority shall be managed and carried out by a board
 24 consisting of nine (9) members. The secretaries of the Economic Development,
 25 Finance and Administration, and Environmental and Public Protection Cabinets; the
 26 executive director of the Public Service Commission; and the commissioner of the
 27 Governor's Office for Local Development shall serve as ex officio members of the

1 authority. The secretaries, the executive director, and the commissioner may
2 designate alternates. On or before August 1, 2000, the Governor shall additionally
3 appoint five (5) at-large members. One (1) member shall be selected from a list of
4 three (3) nominees submitted by the Kentucky Association of Counties, one (1)
5 member selected from a list of three (3) nominees submitted by the Kentucky
6 League of Cities, one (1) member selected from a list of three (3) nominees
7 submitted by the Kentucky Rural Water Association, one (1) member representing
8 for-profit private water companies, and one (1) member selected from a list of three
9 (3) nominees submitted by the Kentucky section of the American Water Works
10 Association. The at-large members shall serve as follows: two (2) shall serve a term
11 ending June 30, 2004; two (2) shall serve a term ending June 30, 2003; and one (1)
12 shall serve a term ending June 30, 2002. As the terms of the at-large members
13 expire, the Governor shall appoint successors for terms of four (4) years and until
14 their successors are appointed. The members shall constitute the Kentucky
15 Infrastructure Authority, with power in that name to contract and be contracted
16 with, sue and be sued, have and use a corporate seal, and exercise, in addition to the
17 powers and functions specifically stated in this chapter, all of the usual powers of
18 private corporations to the extent that the same are not inconsistent with specifically
19 enumerated powers of the authority. In the carrying out of its purposes and the
20 exercise by it of the powers conferred by this chapter, the authority is deemed and
21 declared to be performing essential governmental functions and public purposes of
22 the state.

23 (2) The members of the authority shall receive no compensation for their services in
24 said capacity but shall be entitled to reimbursement for all reasonable expenses
25 necessarily incurred in connection with performance of their duties and functions as
26 such members.

27 (3) Five (5) members of the authority shall constitute a quorum for the transaction of

1 business, and in the absence of a quorum, one (1) or more members may adjourn
 2 from time to time until a quorum is convened. The members of the authority shall
 3 choose from their ranks a chair and a vice chair. The authority shall elect a secretary
 4 and a treasurer who shall not be members of the authority, each of whom shall serve
 5 at the pleasure of the authority and shall receive compensation as may be
 6 determined by the authority.

7 (4) (a) The authority shall, for administrative purposes, be attached to the Governor's
 8 Office for Local Development, which shall provide any office space required
 9 by the authority.

10 (b) The secretary of the authority shall at all times maintain therein complete
 11 records of all of the authority's actions and proceedings which shall constitute
 12 public records open to inspection at all reasonable times.

13 ➔Section 50. KRS 310.040 is amended to read as follows:

14 (1) The Kentucky Board of Licensure and Certification for Dietitians and Nutritionists
 15 is hereby created to be comprised of seven (7) members appointed by the Governor.
 16 Three (3) members shall be licensed dietitians, three (3) members shall be certified
 17 nutritionists and one (1) member shall be a public member who shall have no
 18 pecuniary interest in the nutrition field. Of the members from the nutrition field, one
 19 (1) shall represent hospitals, one (1) shall represent health care facilities other than
 20 hospitals, one (1) shall represent state or local nutritional programs or shall be in
 21 private practice and one (1) shall be a dietetic educator. Appointments may be made
 22 from a list of nominees submitted to the Governor by the Kentucky Dietetic
 23 Association, the Kentucky Hospital Association, the Kentucky Association of
 24 Health Care Facilities, and the Kentucky Medical Association;

25 (2) The board shall be placed for administrative purposes under the Division of
 26 Occupations and Professions of the Environmental and Public Protection~~Finance~~
 27 ~~and Administration~~ Cabinet.

1 (3) Each member of the board shall serve for a term of four (4) years, except that for
 2 initial appointments, one (1) shall be for four (4) years, two (2) shall be for three (3)
 3 years, and two (2) shall be for two (2) years and one (1) shall be for one (1) year. No
 4 member shall serve more than two (2) consecutive terms and each member on July
 5 15, 1994, shall serve on the board until his successor is appointed. Vacancies shall
 6 be filled by appointment of the Governor for the unexpired term.

7 (4) The board shall organize annually and elect one (1) of its members as chairman and
 8 one (1) of its members as secretary. A quorum of the board shall consist of four (4)
 9 members. The board shall meet at least quarterly and upon the call of the chairman,
 10 or at the request of two (2) or more members to the secretary of the board.

11 (5) Each member of the board shall receive compensation for services in an amount
 12 determined by the department, not to exceed one hundred dollars (\$100) dollars per
 13 meeting. The members shall be reimbursed for all travel expenses for attending the
 14 meetings of the board. The compensation of members and employees of the board
 15 shall be paid from the revolving fund established in KRS 310.041(7).

16 ➔Section 51. KRS 329A.025 is amended to read as follows:

17 (1) The board shall administer and enforce the provisions of KRS 329A.010 to
 18 329A.090 and shall evaluate the qualifications of applicants for licensure and issue
 19 licenses.

20 (2) The board shall:

21 (a) Implement the provisions of KRS 329A.010 to 329A.090 through the
 22 promulgation of administrative regulations in accordance with the provisions
 23 of KRS Chapter 13A;

24 (b) Promulgate administrative regulations to establish fees which shall not exceed
 25 the amounts necessary to generate sufficient funds to effectively carry out and
 26 enforce the provisions of KRS 329A.010 to 329A.090;

27 (c) Promulgate by administrative regulation an examination to be administered at

1 least twice annually to license applicants. The examination shall be designed
 2 to measure knowledge and competence in private investigating, including but
 3 not limited to the following subject areas:

- 4 1. Federal and state constitutional principles;
- 5 2. Court decisions related to activities which could result in liability for the
 6 invasion of privacy or other activities;
- 7 3. Eavesdropping and related offenses, assault and related offenses, search
 8 and seizure laws, and laws regarding unlawful access to a computer;
- 9 4. General weapons use and concealed weapons laws;
- 10 5. Additional state criminal laws and related procedures that are relevant to
 11 the practice of private investigating; and
- 12 6. Additional subject areas as determined by the board; and

13 (d) Promulgate by administrative regulation a code of professional practice and
 14 conduct that shall be based upon generally recognized principles of
 15 professional ethical conduct and be binding upon all licensees.

16 (3) The board may:

- 17 (a) Contract with the Division of Occupations and Professions within the
 18 Environmental and Public Protection~~Finance and Administration~~ Cabinet
 19 for the provision of administrative services;
- 20 (b) Employ any persons it deems necessary to carry on the work of the board. The
 21 board may define their duties and fix their compensation;
- 22 (c) Develop or sponsor at least six (6) hours of continuing professional education
 23 annually;
- 24 (d) Approve and certify a forty (40) hour training class covering the subject areas
 25 of the licensing examination;
- 26 (e) Renew licenses and require continuing professional education as a condition
 27 for renewal;

- 1 (f) Waive the examination requirement for any applicant licensed in a reciprocal
2 state as prescribed in subsection (3)(m) of this section, who is licensed in
3 good standing in that state and meets all of the other requirements of KRS
4 329A.035;
- 5 (g) Suspend or revoke licenses, impose supervisory or probationary conditions
6 upon licensees, impose administrative disciplinary fines, or issue written
7 admonishments or reprimands, or any combination thereof;
- 8 (h) Issue subpoenas, examine witnesses, pay appropriate witness fees, administer
9 oaths, and investigate allegations of practices violating the provisions of KRS
10 329A.010 to 329A.090;
- 11 (i) Conduct hearings pursuant to KRS Chapter 13B and keep records and minutes
12 necessary to carry out the board's functions;
- 13 (j) Organize itself into two (2) panels to separate the functions of inquiry and
14 hearings. Each panel shall have the power to act as either an inquiry or hearing
15 panel. No member serving on the inquiry panel shall serve on the hearing
16 panel for any one (1) particular case. Any final decision of the hearing panel
17 shall be considered as the final decision of the board and the hearing panel
18 may exercise all powers granted to the board pursuant to KRS Chapter 13B;
- 19 (k) Utilize mediation as a technique to resolve disciplinary matters;
- 20 (l) Seek injunctive relief in the Circuit Court of the county where the alleged
21 unlawful practice occurred to stop the unlawful practice of private
22 investigating by unlicensed persons or companies; and
- 23 (m) Negotiate and enter into reciprocal agreements with appropriate officials in
24 other states to permit licensed investigation companies and private
25 investigators who meet or exceed the qualifications established in KRS
26 329A.010 to 329A.090 to operate across state lines under mutually acceptable
27 terms.

1 ➔Section 52. KRS 334.170 is amended to read as follows:

2 The Division of Occupations and Professions in the *Environmental and Public*
 3 *Protection*~~[Finance and Administration]~~ Cabinet shall provide administrative aid to the
 4 board to assist it in the discharge of its duties.

5 ➔Section 53. KRS 335.050 is amended to read as follows:

- 6 (1) There is hereby created the Kentucky Board of Social Work, consisting of seven (7)
 7 members appointed by the Governor. One (1) member shall be a certified social
 8 worker under the provisions of KRS 335.010 to 335.160 and 335.990. One (1)
 9 member shall be a licensed social worker under the provisions of KRS 335.010 to
 10 335.160 and 335.990. One (1) member shall be a licensed clinical social worker
 11 licensed under the provisions of KRS 335.010 to 335.160 and 335.990. Three (3)
 12 members shall be persons licensed by the board at any level, at the discretion of the
 13 Governor. One (1) member shall be a citizen at large who is not associated with or
 14 financially interested in the practice or business regulated. With the exception of the
 15 citizen at large, each member shall be appointed from a list of names of qualified
 16 persons submitted by any interested parties. The Governor may request the
 17 submission of additional names.
- 18 (2) Members of the board shall be appointed for terms of four (4) years except
 19 appointments to fill vacancies caused by a reason other than the expiration of a
 20 member's term. Upon recommendation of the board, made after notice and hearing,
 21 the Governor may remove any member of the board for incompetence, neglect of
 22 duty, or malfeasance in office.
- 23 (3) All vacancies shall be filled by the Governor.
- 24 (4) The board shall organize upon appointment and qualification of its members, and
 25 shall elect annually from its membership a chairman, vice chairman, and a secretary.
 26 The board shall meet as frequently as it deems necessary, but not less than two (2)
 27 times each year, at such times and places as the board designates. Additional

1 meetings may be held upon call of the chairman or upon the written request of three
 2 (3) members of the board. Four (4) members of the board shall constitute a quorum.
 3 (5) The board may be attached, for administrative purposes, to the Division of
 4 Occupations and Professions in the Environmental and Public Protection~~[Finance~~
 5 ~~and Administration]~~ Cabinet~~[pursuant to the provisions of KRS 42.066]~~.

6 ➔Section 54. KRS 335.325 is amended to read as follows:

7 The board may:

- 8 (1) Employ needed personnel and contract with the Division of Occupations and
 9 Professions within the Environmental and Public Protection Cabinet~~[Department~~
 10 ~~of Finance and Administration]~~ for the provision of administrative services;
- 11 (2) Issue subpoenas, examine witnesses, pay appropriate witness fees, administer oaths,
 12 and investigate allegations of practices violating the provisions of this chapter;
- 13 (3) Seek injunctive relief in Franklin Circuit Court to stop the unlawful practice of
 14 marriage and family therapy by unlicensed persons;
- 15 (4) Conduct hearings pursuant to KRS Chapter 13B and keep records and minutes
 16 necessary to carry out the functions of this chapter;
- 17 (5) Suspend or revoke licenses or permits or impose supervisory or probationary
 18 conditions upon licensees or permit holders, or impose administrative disciplinary
 19 fines, issue written reprimands or admonishments, or any combination thereof;
- 20 (6) Grant retired or inactive licensure status under conditions set forth by the board by
 21 the promulgation of administrative regulations;
- 22 (7) Enter into reciprocal agreements with boards of marriage and family therapy in
 23 other states having licensure qualifications and requirements that meet or exceed
 24 those provided in this chapter;
- 25 (8) Organize itself into two (2) panels to separate the functions of inquiry and hearings.
 26 Each panel shall have the power to act as either an inquiry or hearing panel. No
 27 member serving on the inquiry panel shall serve on the hearing panel for any one

1 particular case. Any final decision of the hearing panel shall be considered as the
 2 final decision of the board and the hearing panel may exercise all powers granted to
 3 the board pursuant to KRS Chapter 13B; and

4 (9) Utilize mediation as a technique to resolve disciplinary matters.

5 ➔Section 55. KRS 335.615 is amended to read as follows:

6 The board shall meet at least twice a year, in the spring and the fall. The board shall elect
 7 a chair at the fall meeting who shall serve a one (1) year term. The board shall:

- 8 (1) Approve or deny applications for certification submitted according to the provisions
 9 of KRS 335.600 to 335.699;
- 10 (2) Approve the examination required of applicants for certification, provide for the
 11 administration and grading of the examination, and provide for other matters
 12 relating to certification in the profession of fee-based pastoral counseling as
 13 promulgated in administrative regulations;
- 14 (3) Review the credentials of certificate holders to determine eligibility for certification
 15 renewal, including payment of fees authorized in KRS 335.625;
- 16 (4) Certify those fee-based pastoral counseling applicants who satisfy the requirements
 17 of KRS 335.600 to 335.699, including payment of fees authorized in KRS 335.620;
- 18 (5) Adopt a code of ethics for certified fee-based pastoral counselors by promulgation
 19 of administrative regulations;
- 20 (6) Promulgate administrative regulations, in accordance with KRS Chapter 13A, to
 21 implement the purposes of KRS 335.600 to 335.699;
- 22 (7) Contract with the Division of Occupations and Professions within the
 23 **Environmental and Public Protection**~~[Finance and Administration]~~ Cabinet for the
 24 provision of administrative services;
- 25 (8) Investigate suspected violations of KRS 335.600 to 335.699;
- 26 (9) Institute and maintain actions to restrain or enjoin persons who violate the
 27 certification provisions of KRS 335.600 to 335.699; and

1 (10) Submit an annual report to the Governor and to the Legislative Research
 2 Commission by January 1 of each year, listing all hearings conducted by the board,
 3 any decisions rendered, and a current roster of all certified fee-based pastoral
 4 counselors.

5 ➔Section 56. The following KRS sections are repealed:

6 8.030 Governor's Advisory Committee on Intergovernmental Relations -- Membership -
 7 - Functions -- Chairman.

8 11.512 Office of the 911 Coordinator -- Duties.

9 56.600 Central State Hospital Recovery Authority -- Board.

10 56.601 Powers of board.

11 56.602 Attachment of authority to Finance and Administration Cabinet.

12 56.603 Expiration of KRS 56.600 to 56.602 and abolition of authority.

13 131.071 Office of the Taxpayer Ombudsman -- Qualifications and duties of tax
 14 ombudsman.

15 154.33-600 Definitions for KRS 154.33-600 to 154.33-609.

16 154.33-601 Red Fox Tri-County Cooperative Corporation.

17 154.33-603 Board of directors -- Members -- Terms -- Compensation.

18 154.33-605 Operation of board -- Participation of corporation's employees in Kentucky
 19 Employees Retirement System.

20 154.33-607 Powers and duties of corporation.

21 154.33-609 Use of corporate revenues -- Annual audit by State Auditor.

22 293.010 Legislative intent.

23 293.020 Definitions in KRS Chapter 293.

24 293.030 Kentucky Savings Bond Authority established.

25 293.040 Authority -- Membership -- Appointment -- Qualifications.

26 293.050 Removal of commissioner from office -- Suspension.

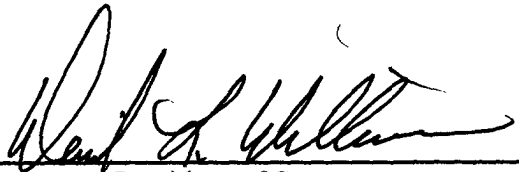
27 293.060 Officers of authority -- Election -- Quorum.

- 1 293.070 Commissioner and treasurer to execute surety bond.
- 2 293.080 Commissioners -- Compensation.
- 3 293.090 Officers, agents, and employees -- Contracts with financial institutions.
- 4 293.100 Powers and duties of authority.
- 5 293.110 Issuance of bonds -- Denominations.
- 6 293.120 Bonds issued and redeemed by bank acting as agent -- Fees.
- 7 293.130 Payment and redemption fund -- Operating fund.
- 8 293.140 Operating fund -- Excess.
- 9 293.150 Proceeds not taxable.
- 10 293.160 Trust agreement with bank.
- 11 293.170 Authority to borrow.

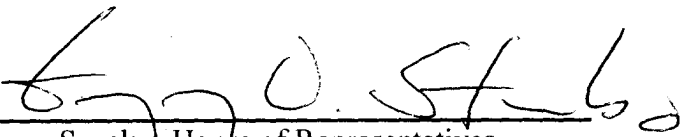
12 ➔Section 57. The secretary of the Finance and Administration Cabinet is directed
13 to review each executive branch agency's information technology structure and to
14 consolidate operational control under the Commonwealth Office of Technology when it is
15 found to be in the best interest of the Commonwealth.

16 ➔Section 58. The General Assembly confirms the Governor's Executive Order
17 2008-506, dated June 6, 2008, to the extent it is not otherwise confirmed or repealed by
18 this Act.

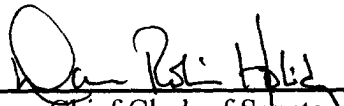
19 ➔Section 59. In order to reflect the reorganization effectuated by this Act, the
20 reviser of statutes shall replace references in the Kentucky Revised Statutes to the
21 agencies, subagencies, and officers affected by this Act with references to the appropriate
22 successor agencies, subagencies, and officers established by this Act. The reviser of
23 statutes shall base these actions on the functions assigned to the new entities in this Act
24 and may consult with officers of the affected agencies, or their designees, to receive
25 suggestions.



President of Senate



Speaker-House of Representatives

Attest: 

Chief Clerk of Senate

Approved 

Governor

Date 3-17-09